

ECONOMIC ANALYSIS

NATIONAL ECONOMY

In fiscal year 2001-02, the national economy was characterized by slow growth, higher unemployment, decreased international trade, and a return to federal budget deficits. The economy labored under the continuing recession that began when the nation's ten-year economic expansion, the longest in its history, ended in March 2001. The recession was likely exacerbated by the terrorist attacks of September 11, 2001, which led consumers and businesses to change spending plans for travel and other activities.

Gross Domestic Product

Real gross domestic product (GDP)—the broadest measure of the nation's output of goods and services—declined for the first three quarters of 2001 before turning around in the fourth quarter. On an annual basis, real GDP increased only 0.3 percent

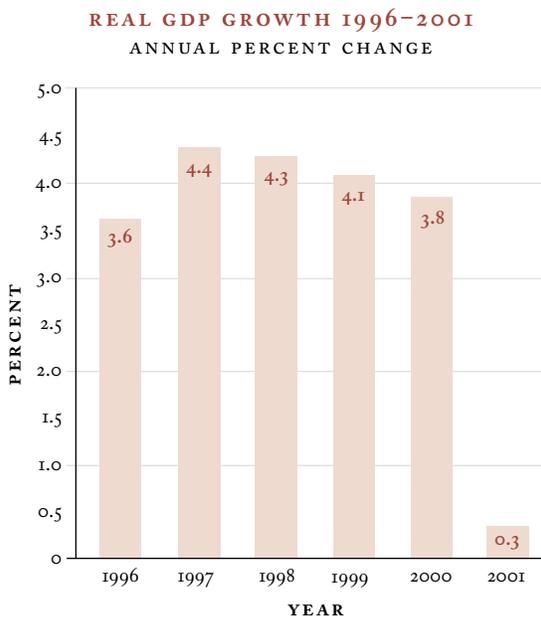
Completion

in 2001. This was the slowest growth since 1991 and significantly lower than the 3.3 percent average annual growth rate from 1992 through 2001.

In response to these weak economic conditions, the Federal Reserve Board lowered the federal funds rate by a total of 4.75 percent from January through December of 2001. The federal funds rate then stood at 1.75 percent and remained constant for nearly a year. The 2002 annual average federal funds rate of 1.7 percent was the lowest in more than 40 years.

Real GDP by Sector

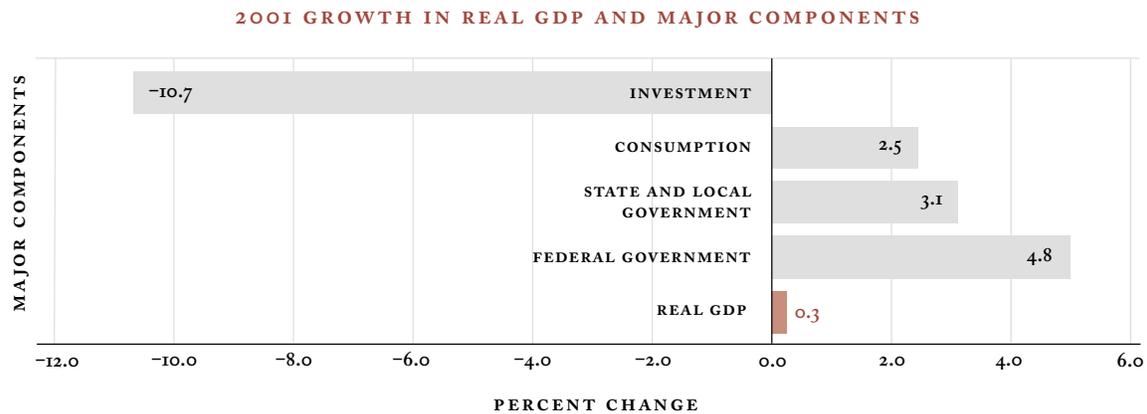
Consumer spending, which accounts for more than two-thirds of total GDP, was the main source of overall growth in 2001 and the first half of 2002. Real consumer spending rose by 2.5 percent in 2001 and increased by the same annual rate from January through June 2002.



Investment spending, however, declined dramatically in a drop that largely caused 2001's overall weak GDP performance. Real spending in domestic investment, which made up nearly 16 percent of total real GDP for 2001, declined by 10.7 percent that year. This contrasted sharply with average annual growth of 9.1 percent in that sector from 1996 through 2000. The drop in investment spending hit California and its large high-tech sector especially hard. Purchases of equipment and software make up a large part of U.S. investment spending—about 55 percent in 2001.

Weak economic conditions in the U.S. and throughout most of the world caused real imports and exports to drop in 2001. Real exports of goods and services decreased 5.4 percent, while real imports of goods and services declined 2.9 percent. Exports continued to exceed imports, but the resulting trade deficit and negative effect on real GDP were less than in previous years.

Real government spending on goods and services expanded by 3.7 percent in 2001, an increase from 2.7 percent growth in 2000. However, weak revenues caused state and local government spending to grow by only 3.1 percent in 2001—the lowest rate since 1996. At the same time, federal government defense and nondefense spending jumped, largely because of increased expenditures related to a defense buildup and the response to the September 11 terrorist attacks. Real federal government spending increased 4.8 percent in 2001, the largest increase since 1986. Real national defense spending increased 5.0 percent, while real nondefense spending increased 4.5 percent.



The Unemployment Rate and Consumer Prices

The recession brought significant increases in the unemployment rate in 2001 and early 2002. The national unemployment rate rose from an average of 4.0 percent in 2000 to an average of 4.8 percent in 2001. For the first six months of 2002, the U.S. unemployment rate averaged 5.8 percent. While this was higher than in the recent past, the unemployment rate remained lower than rates in the last recession and did not exceed the 5.8 percent average for the 1990s.

The recession kept consumer price increases to modest levels. The U.S. consumer price index rose 2.8 percent in 2001, down from 3.4 percent in 2000. From January through June 2002, the consumer price index rose at an annual rate of just 1.5 percent. The sum of inflation and unemployment rates, the so-called “misery index,” was 7.6 percent in 2001. Despite the recession, the level was little changed from the 2000 reading of 7.4 percent.

Federal Budget Deficit

After four years of surpluses, the federal budget returned to a deficit of \$159 billion in fiscal year 2001-02. According to the Congressional Budget Office, the deficit was largely caused by recession-related revenue decreases coupled with tax cuts intended to stimulate economic activity. Increased federal government spending, both newly legislated and recession-related (such as increased expenditures for unemployment benefits), also contributed to the deficit. Still, the 2001-02 deficit was only about 1.5 percent of GDP, much lower in relation to GDP than the budget deficits of the 1980s and 1990s. The highest deficit-to-GDP ratio of the past 20 years was in fiscal year 1982-83, when the federal budget deficit was 6.0 percent of GDP.

CALIFORNIA ECONOMY

The California economy generally mirrored the U.S. economy and entered into a recession in the spring of 2001. Unemployment increased, personal income growth slowed, construction

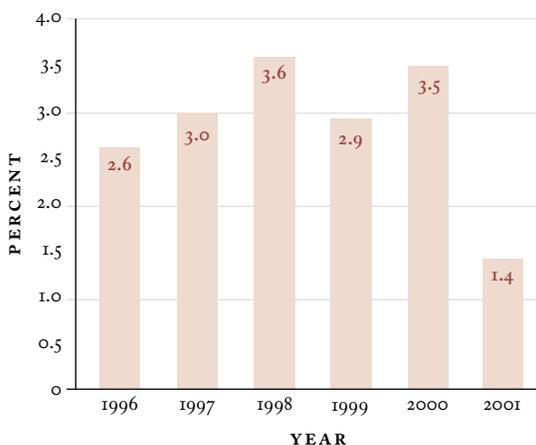
declined, and exports dropped. At the same time, home prices rose sharply and consumer prices increased.

Employment and Income Growth

California nonagricultural employment growth was the weakest since 1994. There were 209,000 nonagricultural jobs created in 2001, an increase of only 1.4 percent. Even at this slow rate, the state's nonagricultural employment growth far exceeded the national growth rate of 0.2 percent.

The average annual unemployment rate in California increased from 4.9 percent in 2000 to 5.3 percent in 2001. By June 2002, the state's unemployment rate was 6.5 percent. The gap between the California unemployment rate and the lower national rate narrowed to 0.5 percent in 2001, compared to a 0.9 percent difference in 2000.

**CALIFORNIA NONAGRICULTURAL
EMPLOYMENT GROWTH
1996-2001**
ANNUAL PERCENT CHANGE



California personal income increased by 2.6 percent in 2001. This was the slowest growth in the state's personal income since 1994 and well below income growth for the nation as a whole, which was 3.3 percent. Declines in bonuses and stock option payments, particularly from technology firms, were major reasons for the state's relatively poor income performance. The decreases are most evident in the manufacturing sector. After jumping an estimated 17.2 percent in 2000, California manufacturing wages and salaries dropped 12.3 percent in 2001.

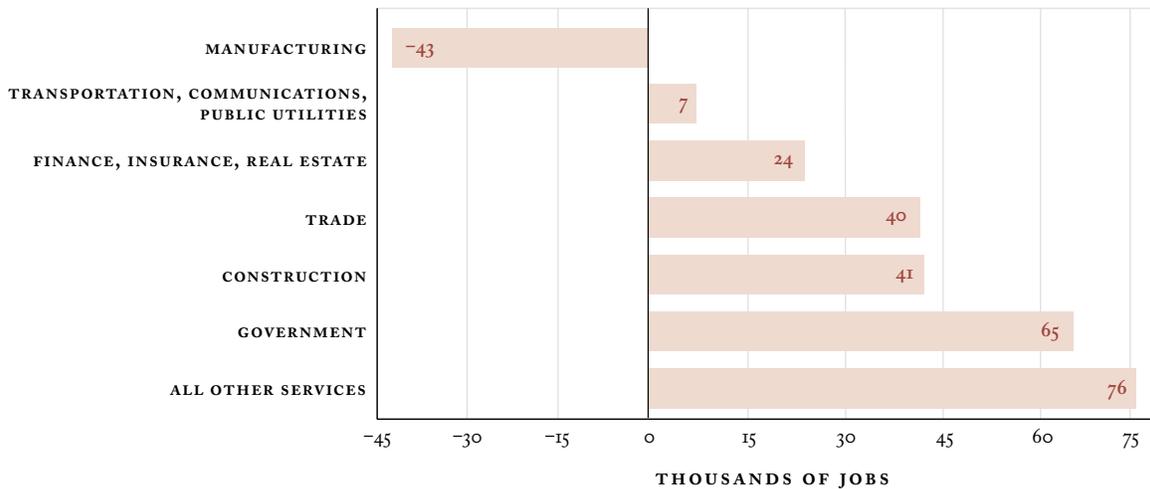
Employment Sectors

Services. The service sector is the state's largest employment sector, accounting for about 32 percent of all nonfarm jobs. In 2001, about 76,000 services jobs were added, a 1.6 percent increase over 2000.

Trade and Government. Trade, the second-largest source of California jobs, accounted for 23 percent of all 2001 California nonfarm employment. Trade employment increased by 1.2 percent, adding about 40,000 jobs, primarily in the retail industries. Government, California's third-largest employment sector, contributed 16 percent of all state nonagricultural jobs in 2001. State and local government employment rose 4.0 percent in the year, adding 82,000 jobs. Much of the growth was in education, as additional teachers were hired. In contrast, federal government employment in the state declined by 6.4 percent, or 18,000 jobs.

Construction, Manufacturing, and Other Industries. In 2001, about 13 percent of all California nonfarm jobs were in manufacturing.

2001 GROWTH IN NONAGRICULTURAL EMPLOYMENT
BY EMPLOYMENT SECTOR



California manufacturing employment declined by 2.2 percent, or 43,000 jobs. Construction employment rose by about 41,000 jobs, or 5.6 percent, making it the state's fastest-growing employment sector. Employment in the finance, insurance, and real estate sector rose 2.9 percent, the second-highest jobs growth outside government. Employment in transportation and public utilities increased by 0.9 percent in 2001, adding 7,000 jobs.

Exports

The value of California-made exports to other countries declined 10.8 percent in 2001, reflecting a slowing world economy and associated weak demand for technology products. Exports to each of the state's major regional trading partners, North America, Asia, and Western Europe, declined at rates close to the overall average.

Building Construction and Home Prices

The value of all building construction permits issued in California, measured in inflation-adjusted dollars, decreased by 4.9 percent in 2001 as a consequence of the slowing economy. The overall decline was led by a 12.2 percent decrease in nonresidential building construction, mostly in industrial buildings and offices. The real value of residential construction permits issued was essentially unchanged in 2001, decreasing by only 0.1 percent. The total number of home building permits issued in 2001—149,000 units—was also unchanged from 2000.

Despite the recession, home prices increased rapidly in 2001 and early 2002, continuing a trend of the last several years. Statewide median home prices rose 11 percent in 1999, 12 percent in 2000, and 9 percent in 2001. The median price of an existing single-family detached home in California averaged

\$264,500 in 2001. Home prices generally increased more in metropolitan areas outside Santa Clara County and the rest of the San Francisco Bay Area, where prices had been high in the past. Statewide, there were 504,000 resales of existing single-family detached homes in 2001. Though down from the 536,000 resales in 2000, this figure is relatively high compared to historical levels.

Spurred by low interest rates and the hope of future price appreciation, home prices and sales rose at even faster rates in the first half of 2002. Average California home prices for January through June 2002 were 22 percent above prices for the same period of 2001. The first and second quarters of the year set home sales records, with seasonally adjusted annual sales rates of 594,000 units and 599,000 units, respectively. Most regions of the state shared in the early 2002 housing sales boom.

Consumer Prices

Fueled by higher real estate prices, California consumer prices bucked the national trend to rise more rapidly in 2001. The California consumer price index for all urban consumers rose 3.9 percent in 2001, following a 3.7 percent increase in 2000. Housing made up about

one-third of all California consumer spending. At the national level, the consumer price index increased by 2.8 percent in 2001, down from 3.4 percent in 2000.

TAXABLE SALES ACTIVITY

Transactions subject to the sales and use tax totaled \$437.0 billion during the 2001-02 fiscal year, a decrease of \$10.5 billion, or a 2.3 percent, from the 2000-01 fiscal year. This was the first year since 1993 to show taxable sales declines in all four quarters. In the third quarter of 2001, taxable sales decreased 2.9 percent. In the next three quarters, taxable sales declined by 2.3 percent, 3.1 percent, and 1.2 percent, respectively.

In real terms, taxable sales decreased by 1.1 percent from 2000-01. The California Taxable Sales Deflator, an index that tracks price changes only for those commodities subject to sales and use tax, measured a deflation rate of 1.3 percent for 2001-02. Quarterly deflation rates ranged from a low of 0.2 percent in the third quarter of 2001 to a high of 1.8 percent in the first quarter of 2002. The annual inflation rate shown by the Deflator was less than the inflation rate indicated by the

2001-02 TAXABLE SALES

GROWTH IN ACTUAL DOLLARS COMPARED TO GROWTH IN CONSTANT-VALUE DOLLARS

Quarter	Taxable Transactions		Percent Change from Prior Year in		
	Amount	Percent of Total	Actual Dollars	Constant Value Dollars	California Taxable Sales Deflator
July—Sept	\$109,283,013,000	25.0	-2.9	-2.7	-0.2
Oct—Dec	115,740,305,000	26.5	-2.3	-0.8	-1.5
Jan—Mar	100,957,382,000	23.1	-3.1	-1.3	-1.8
Apr—June	111,017,316,000	25.4	-1.2	0.6	-1.7
Annual	\$436,998,016,000	100.0	-2.3	-1.1	-1.3

California Consumer Price Index. That index measured 2001-02 inflation at 2.7 percent.

As shown in Appendix Table 19, which provides details on sales tax activity and the number of sales tax permittees by business type, retail stores in California reported taxable receipts of \$295.6 billion for 2001-02. This was a slight increase of 0.8 percent over 2000-01.

“Business and Personal Service Establishments” had taxable transactions amounting to \$21.8 billion, a decline of 3.4 percent. This category comprises businesses whose tax liability is based mainly on the sale of materials and parts, while much of their income is from nontaxable service and repair labor.

“All Other Outlets,” comprising businesses whose transactions are mainly nontaxable—manufacturers and wholesalers of all types, construction contractors, petroleum producers, publishers, and a multitude of part-time permittees—had taxable transactions totaling \$119.7 billion, down 9.2 percent from 2000-01.

Of the 37 types of retail business shown in Appendix Table 19, 18 experienced taxable

sales increases over the previous year while 19 showed declines. The greatest increase was in the new car dealers category, while the most significant decrease was in the service station category.

Retailers specializing in durable goods outperformed stores dealing mainly in nondurable goods. Sales by durable goods retailers grew by 2.5 percent, while retailers specializing in nondurable goods saw their sales decline by 0.9 percent.

Durable Goods

New car dealers. New car dealers reported strong sales this fiscal year, even while selling fewer vehicles than in 2000-01. New car dealer taxable sales jumped 11.8 percent to \$53.1 billion. Yet according to the Department of Motor Vehicles, new vehicle registrations for 2001-02 totaled 2,140,266, a decline of 35,314 registrations, or 1.6 percent, from the previous year. New automobile registrations were down 2.2 percent, to 1,725,274. New truck registrations increased by 0.9 percent to total 414,992.

2001-02 NEW VEHICLE REGISTRATIONS AND TAXABLE SALES OF NEW CAR DEALERS

Quarter	New Vehicle Registrations						Taxable Sales of New Car Dealers	
	Automobiles		Trucks		Total		Amount	Percent Change Year to Year
	Number	Percent Change Year to Year	Number	Percent Change Year to Year	Number	Percent Change Year to Year		
July—Sept	421,851	-4.0	104,111	-3.4	525,962	-3.9	\$12,895,652,000	4.5
Oct—Dec	422,839	2.0	108,610	11.8	531,449	3.9	14,156,027,000	25.3
Jan—Mar	430,449	-5.5	100,232	-2.1	530,681	-4.9	12,686,350,000	10.6
Apr—June	450,135	-1.0	102,039	-2.0	552,174	-1.2	13,387,959,000	7.8
Annual	1,725,274	-2.2	414,992	0.9	2,140,266	-1.6	\$53,125,988,000	11.8

Construction and home related businesses.

California's construction industry had mixed results in taxable sales growth. Sales by the building material group, which includes lumber and building material stores, hardware stores, plumbing and electrical supply stores, and paint, glass, and wallpaper stores, grew by 6.4 percent to \$25.0 billion. In contrast, construction contractors' taxable sales dropped 4.4 percent, to \$17.7 billion. Household and home furnishing stores posted slight decreases in taxable transactions, as did household appliance dealers. The former had taxable sales of \$9.3 billion, a decrease of 0.7 percent, while the latter saw sales decrease to \$4.2 billion, a scant drop of 0.3 percent.

Specialty retailers. Another group of durable goods retailers, specialty stores, also experienced slower growth during 2001-02. Specialty store sales totaled \$43.0 billion, down 6.3 percent from 2000-01. The specialty store group includes such retailers as sporting goods stores, jewelry stores, office and school supply stores, toy stores, book stores, and a variety of other specialized retailers. Of this group, office, store, and school supply stores showed the greatest

decrease in taxable sales with transactions of \$13.7 billion, a drop of 14.8 percent.

Nondurable Goods

Service stations. In the nondurable goods category, service station sales dropped a dramatic 12.7 percent during 2001-02, to \$23.0 billion. While service stations have evolved over time into minimart operations selling a variety of items, gasoline remains their main stock in trade. The volatile price of gasoline once again brought service stations large fluctuations in quarterly sales. While the average yearly price of gasoline dropped by 14.1 percent, quarterly price changes ranged from a 21.2 percent decrease in the fourth quarter of 2001 to a 1.3 decrease in the third quarter of 2001. Annual consumption of gasoline increased 2.5 percent to 15.2 billion gallons, reflecting the considerable drop in prices.

Other retailers. Other nondurable goods retailers experienced slight sales increases during the fiscal year. General merchandise stores had taxable sales of \$42.1 billion, an increase of 1.8 percent over 2000-01. Restaurants posted sales of \$37.4 billion, an increase of 2.7 percent.

**2001-02 TAXABLE SALES OF SERVICE STATIONS COMPARED
TO GASOLINE DISTRIBUTIONS**

Quarter	Taxable Transactions		Gasoline Distributions			
	Amount	Percent Change Year to Year	Gallons	Percent Change Year to Year	Estimated Expenditure	Percent Change Year to Year
July—Sept	\$ 6,402,106,000	-5.4	3,883,805,000	2.4	\$ 6,264,577,000	1.0
Oct—Dec	5,294,378,000	-21.1	3,677,750,000	-1.6	4,781,075,000	-22.4
Jan—Mar	5,090,318,000	-14.5	3,741,218,000	3.9	4,755,088,000	-15.1
Apr—June	6,256,614,000	-10.3	3,933,909,000	5.2	5,975,608,000	-11.9
Annual	\$23,043,416,000	-12.7	15,236,682,000	2.5	\$21,776,348,000	-12.0

REVENUE GROWTH

Tax programs administered by the Board of Equalization produced state and local revenues totaling \$40,479,878,000 during 2001-02. This was a decrease of \$0.8 billion, or 1.9 percent, from fiscal year 2000-01. The decreased revenue resulted in part from the slowing California economy. Another contributing factor was the lower sales and use tax rate in effect during the first half of the fiscal year (see next section). Sales and use taxes contribute 85 percent of the total revenue generated by Board-administered tax programs.

Revenues from each tax are presented in the “Comparison of Revenues” table on page 63. Additional detail and historical comparisons are given in Appendix [Table 2](#).

Sales and Use Taxes

The combination of all state and local sales and use taxes produced \$34,394,464,000 in 2001-02, a decrease of 2.7 percent. The decrease was due in part to the 0.25 percent state sales and use tax rate reduction that was in effect during the first half of the fiscal year (for more on sales and use tax rates in 2001-02, see page 26). The state’s portion of the sales tax grossed \$21,588,029,000. The portion that supports local jurisdictions—cities, counties and special districts—totaled \$12,806,435,000, including allocations to the Local Revenue Fund and the Public Safety Fund. (Details are given in [Appendix Tables 19 through 23](#).)

By the end of the fiscal year, special district transactions (sales) and use taxes were being levied by 38 jurisdictions in 27 counties.



Businesses in these counties generate 87 percent of all taxable sales in the state. Detail regarding the special tax districts and district taxes is found in Appendix [Table 21C](#). Total sales and use tax rates by county are listed in Appendix [Table 23B](#).

Special Taxes

In 2001-02, the state’s fuel tax revenues totaled \$3,242,148,000, 1.6 percent more than 2000-01. Distribution of gasoline for highway use increased 2.5 percent to 15.2 billion gallons. (Historical data on assessments are presented in [Appendix Tables 24–26](#).)

The state's excise taxes on alcoholic beverages increased slightly over the previous year. Alcoholic beverages, which were taxed by the state at rates ranging from twenty cents a gallon for wine to \$3.30 per gallon for distilled spirits, produced \$292,632,000, an increase of 1.4 percent. Revenues from beer and wine increased to \$152,298,000, while revenues from distilled spirits increased slightly to \$140,334,000. (See [Appendix Tables 27–29](#) for historical data on taxes, total consumption, and per capita consumption by major type of beverage.)

Cigarette and tobacco products taxes.

Revenue from excise taxes on cigarettes and other tobacco products decreased significantly in 2001-02, dropping 4.5 percent to \$484,931,000. Apparent consumption of cigarettes and tobacco products also declined. This continued a trend that began in 1989 with the implementation of Proposition 99, the first in a series of three voter-approved tobacco-related excise taxes. Revenue from the last of those taxes, the California children and families first tax (Proposition 10), approved in November 1998, was \$624,579,000 for 2001-02, a decrease of 3.9 percent. The tax rate for tobacco products other than cigarettes varied somewhat in the early part of 2001-02. While cigars and smoking tobacco were taxed at a rate of 52.65 percent of wholesale costs for the entire fiscal year, smokeless tobacco products were taxed at a variety of rates from July 1, 2001, through September 9, 2001. After settlement of a court case, the tax rate on those products became 52.65 percent of wholesale costs for the

remainder of the fiscal year. (See [Appendix Tables 30A and 30B](#) for additional data regarding these taxes.)

Electricity, telephone, and natural gas

surcharges. The electrical energy surcharge, levied on the use of electricity in California, produced \$44,853,000 in 2001-02, a 6.4 percent decrease from 2000-01. Revenues from the emergency telephone users surcharge, which funds the 911 statewide emergency number system, totaled \$125,381,000, an increase of 3.1 percent. The natural gas surcharge produced \$179,107,000 in 2001-02, the first full fiscal year it was in effect. Additional detail and historical comparisons are provided in [Appendix Table 2](#).

Hazardous substances taxes and other environmental fees. Hazardous substance taxes and other environmental fees reached \$392,535,000 in 2001-02, a significant 13.4 percent increase over the prior year. All of these taxes and fees fund specific environmental programs.

Property Taxes

In 2001-02, California counties collected \$677,770,000 in property tax on state-assessed properties, an increase of 0.8 percent from 2000-01. The timber yield tax, levied when timber is harvested in lieu of any annual value based property tax, plummeted 41.0 percent to \$15,099,000. The private railroad car tax, levied on railroad cars used in California but not owned by railroad operators, produced \$6,379,000, a slight increase of 0.6 percent.

COMPARISON OF REVENUES 2000-01 AND 2001-02
IN THOUSANDS OF DOLLARS

Revenue Source	2000-01	2001-02	Percent change
<i>Sales and Use Taxes</i>			
State tax ¹	\$22,062,150	\$21,588,029	-2.1
State disaster relief tax (0.25%) ²	1	0	- ⁷
Local revenue fund state sales tax (0.5%)	2,277,235	2,208,508	-3.0
Public safety fund sales tax (0.5%)	2,277,235	2,208,509	-3.0
City and county sales tax (1.00%)	4,558,083	4,423,236	-3.0
County transportation tax (0.25%)	1,139,592	1,105,575	-3.0
Special district taxes	3,043,550	2,860,207	-6.0
Other taxes and fees	534	399	-25.3
Totals	35,358,377	34,394,464	-2.7
<i>Fuel Taxes and Fees</i>			
Gasoline and jet fuel	2,702,975	2,773,853	2.6
Diesel and use fuel ³	487,785	468,295	-4.0
Totals	3,190,759	3,242,148	1.6
<i>Alcoholic Beverage Taxes</i>	288,451	292,632	1.4
<i>Cigarette and Tobacco Products Taxes</i>			
Cigarette tax	126,664	121,611	-4.0
Cigarette and tobacco products surtax	350,172	332,998	-4.9
Breast cancer research cigarette stamp tax	30,722	30,322	-1.3
California children and families first cigarette stamp tax	650,068	624,579	-3.9
Totals	1,157,626	1,109,511	-4.2
Electrical energy surcharge	47,931	44,853	-6.4
Natural gas surcharge ⁴	30,511	179,107	- ⁷
Emergency telephone users surcharge	121,640	125,381	3.1
Hazardous substances taxes and other environmental fees ⁵	346,267	392,535	13.4
Local taxes on state-assessed properties ⁶	672,561	677,770	0.8
Timber yield tax	25,575	15,099	-41.0
Private railroad car tax	6,339	6,379	0.6
Grand Totals	\$41,246,038	\$40,479,878	-1.9

¹ State tax rate 5.00 % through December 2000; 4.75% effective January 2001; 5.00% effective January 2002.

² This tax was in effect from December 1, 1989, through December 31, 1990.

³ Includes diesel fuel taxes collected under the International Fuel Tax Agreement (IFTA).

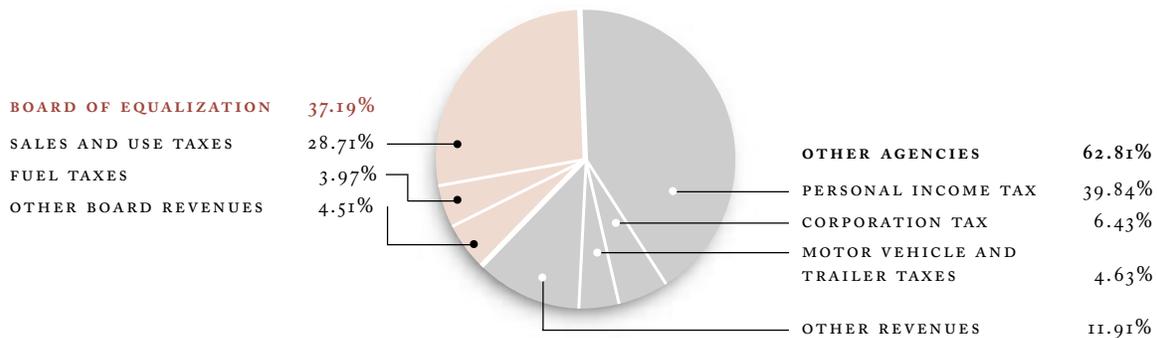
⁴ This tax became effective January 1, 2001.

⁵ Includes revenues from the hazardous substances tax, integrated waste management fee, underground storage tank maintenance fee, tire recycling fee, oil spill prevention and administration fee, oil spill response fee, childhood lead poisoning prevention fee, occupational lead poisoning prevention fee, ballast water management fee, and natural gas surcharge.

⁶ Collected by county tax collectors.

⁷ Not computed.

SOURCES OF STATE REVENUE JULY 1, 2001-JUNE, 30, 2002



Revenue Source	Revenue (in thousands)	Percent Change from 2000-01	Percentage of Total State Revenue
Board of Equalization			
<i>Major Taxes and Licenses</i>			
Sales and Use Tax ¹	\$23,816,406	-1.98	28.71
Gasoline and Jet Fuel Tax	2,828,024	5.53	3.41
Diesel and Use Fuel Taxes	467,879	1.18	0.56
Insurance Gross Premiums Tax	1,596,002	6.64	1.92
Cigarette and Tobacco Products Tax	1,102,807	-4.18	1.33
Alcoholic Beverage Tax	292,627	1.45	0.35
<i>Totals, Major Taxes and Licenses</i>	\$30,103,745	-0.90	36.29
<i>Totals, Minor Revenues²</i>	748,255	35.38	0.90
Grand Total, Board of Equalization	\$30,852,000	-0.25	37.19
Other Agencies			
<i>Major Taxes and Licenses</i>			
Personal Income Tax	\$33,046,665	-25.93	39.84
Corporation Tax	5,333,036	-22.70	6.43
Motor Vehicle "in lieu" Tax	1,927,368	-41.40	2.32
Trailer Coach Fees "in lieu" Tax	17,760	-32.57	0.02
Motor Vehicle Registration and Other Fees	1,891,776	-2.65	2.28
Estate, Inheritance, and Gift Tax	890,627	-4.72	1.07
Horse Racing (Parimutuel) License Fees	44,622	0.18	0.05
Telecommunications Tax	14,264	- ³	0.02
<i>Totals, Major Taxes and Licenses</i>	\$43,166,118	-25.26	52.04
<i>Totals, Minor Revenues</i>	8,930,674	47.85	10.77
Grand Total, Other Agencies	\$52,096,792	-18.33	62.81
Total State Revenue	\$82,948,792	-12.43	100.00

Source: 2003-04 Governor's Budget

¹ Sales and Use Tax Revenues include revenues from the state sales tax, the state disaster relief tax, and the local revenue fund state sales tax.

² Board of Equalization Minor Revenues include private railroad car, electrical energy, natural gas, emergency telephone, and environmental taxes and fees.

³ Not computed. Newly listed as major revenue source.

Note: Percentage detail may not compute to totals due to rounding.