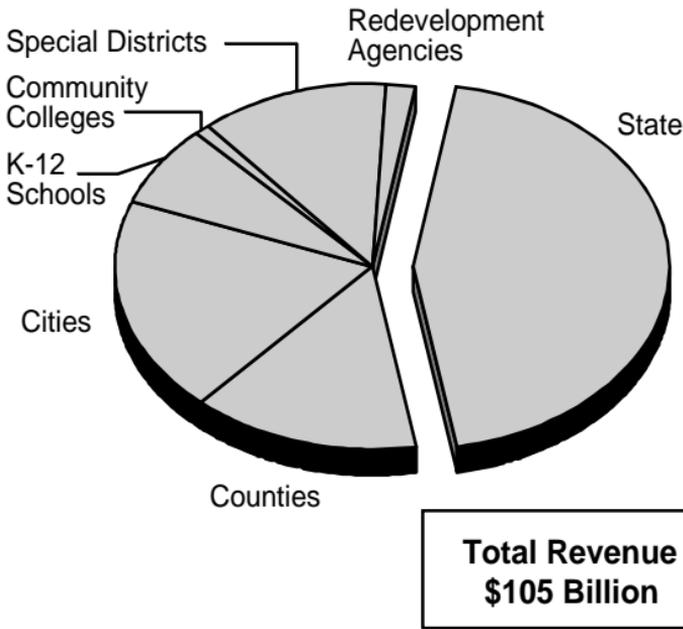
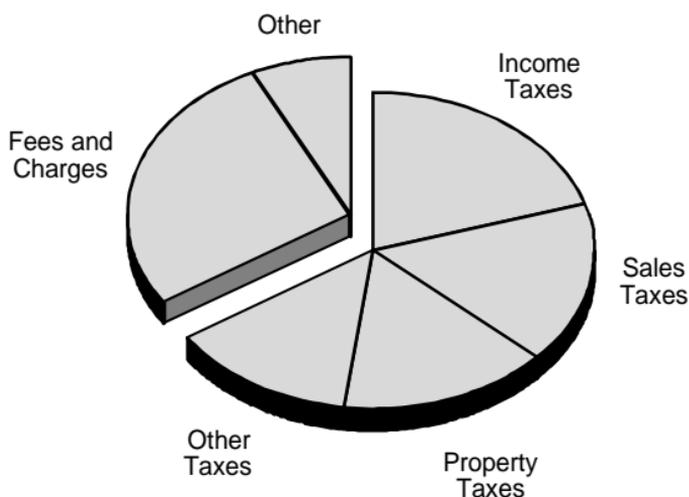


## Local Governments Raise More Revenue Than the State—1990-91



- The figure shows state, and local own-source revenue, which includes tax and fee revenues but excludes funds received from another government entity. Local revenues include income of publicly owned utilities and other local government enterprises.
- More than half of the state's revenues were allocated to local schools and other local agencies.

## California State and Local Revenue Sources—No Single Source Predominates 1990-91



**Total Revenue  
\$105 Billion**

- The figure shows combined California state and local revenues by source in 1990-91.
- Tax collections represent two-thirds of combined state/local own-source revenues.
- Other miscellaneous taxes, such as utility user taxes, raise almost as much revenue as the property tax.

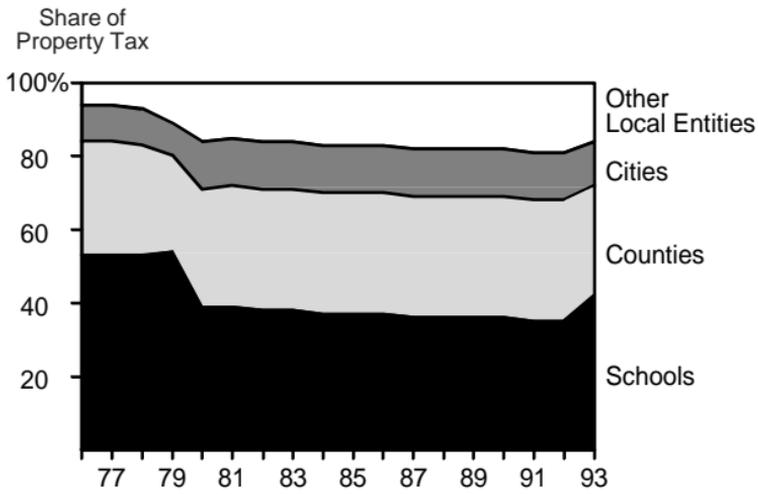
## Funding Mix Varies Among the State And Local Entities

Source	Percent of Funding in 1990-91				
	State	Counties	Cities	K-12 Schools	Special Districts
Income taxes	45.3%	—	—	—	—
Sales taxes	29.3	6.1%	11.9%	—	—
Property taxes	—	28.7	11.2	23.1%	31.7%
Other taxes	20.4	2.9	17.4	2.7	—
Fees and charges	1.9	17.6	45.5	0.3	38.7
State aid	—	41.4	2.4	67.2	4.5
Other	3.0	3.3	11.6	6.8	25.2

Percentages may not add to 100% due to rounding.

- State aid provides a large portion of county and school funds, but only a small portion of the funding for cities and special districts.
- Amounts exclude federal funds.
- Income taxes include the state personal income tax and the state bank and corporation tax.

## Schools and Counties Receive the Bulk of Property Taxes<sup>a</sup>

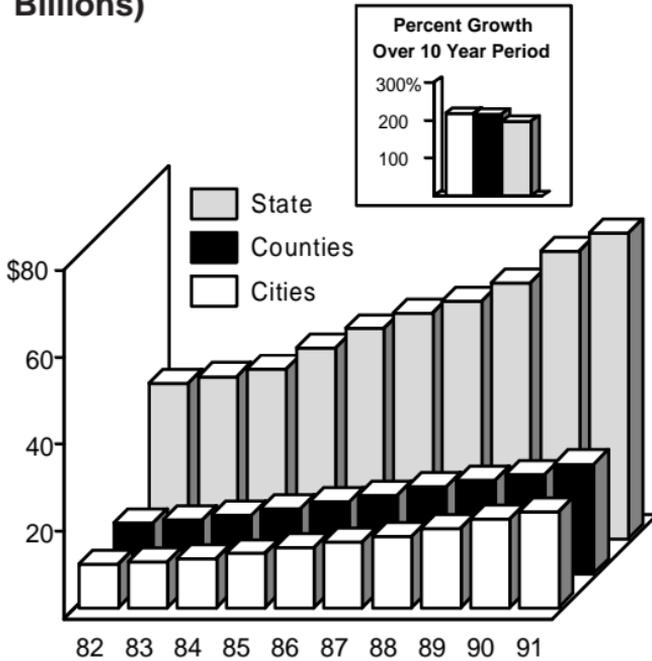


<sup>a</sup> Data are for fiscal years ending in year shown.

- After passage of Proposition 13 in 1978, the state increased its funding of schools and shifted property tax allocations from schools to other local entities to mitigate their Proposition 13 revenue losses.
- 1992-93 budget actions shifted \$1.3 billion to schools from cities, counties, redevelopment agencies, and special districts.
- A further shift proposed for 1993-94 would push the school share above 50 percent—similar to the pre-Proposition 13 situation.

## Total Spending by Cities, Counties, and the State Doubled From 1981-82 to 1990-91

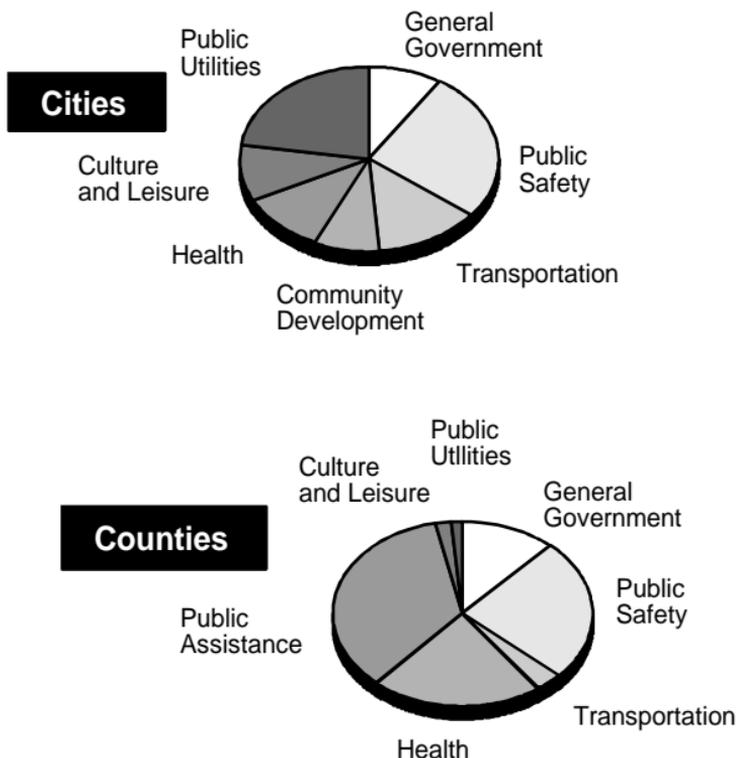
(In Billions)



<sup>a</sup> Data are for fiscal years ending in year shown.

- Total expenditures include federal funds and state grants to cities and counties.
- Cities spend less than either counties or the state, but their spending has grown the most rapidly.
- State spending exceeds that of cities and counties combined.

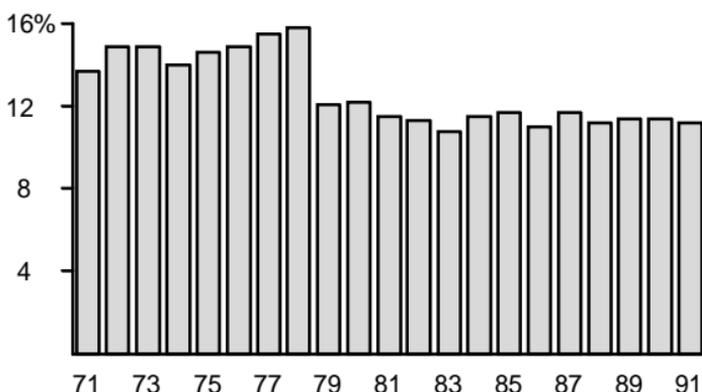
## Cities and Counties Spend Their Funds Differently 1990-91



- Cities and counties both spend about one-quarter of their budgets on public safety. In the case of cities, this is mostly for police, but for counties, it is mostly for courts and jails.
- Health and public assistance consume more than half of county spending.

## California's Tax Burden Declined Slightly In the Post-Proposition 13 Era<sup>a</sup>

State and Local Tax Revenue  
As a Percent of Personal Income



<sup>a</sup>Data are for fiscal years ending in year shown.

- Prior to Proposition 13 (passed in 1978) the state's total state and local tax burden was approximately fifth highest in the nation.
- Proposition 13 began an era of a slowly declining California tax burden. By 1991, California ranked 22nd from the top among the 50 states.
- Although 1992 data are not yet available, recent state and local tax increases and slow personal income growth probably raised the overall California tax burden.

## Approval/Voting Requirements for State and Local Taxes and Bonds

	Voting Requirement	Authority <sup>a</sup>
<b>State-Level Taxes:</b>		
General taxes	2/3 Legislative	Article XIII A, Section 3
Special taxes	2/3 Legislative	Article XIII A, Section 3
<b>Local -Level Taxes:</b>		
General taxes	Varies, Majority of Governing Board or Voters	Statutes
Special taxes	2/3 Voters	Article XIII A, Section 4
<b>State Bonds:</b>		
General obligation	Majority Voters	Article XVI, Section 1
Other <sup>b</sup>	Majority Legislative	Statutes
<b>Local Bonds:</b>		
General obligation	2/3 Voters	Article XIII A, Section 1
Other <sup>b</sup>	Majority Governing Body	Statutes

<sup>a</sup> Indicates the relevant state constitutional provision or that the requirement is established in statute by state law.

<sup>b</sup> Includes revenue bonds, lease payment bonds and certificates of participation.