

# **Brown's budget – schools spared, redevelopment agencies out**

**By Kevin Yamamura, Sacramento Bee**

With state revenues rising, Gov. Jerry Brown reframed his call for tax extensions Monday, saying they are still necessary to help the state whittle down an accumulated “wall of debt.”

The Democratic governor announced that California can count on \$6.6 billion in surprise tax revenues through June 2012, thanks to more money flowing into state coffers this year and a higher growth expectation for next year.

The deficit has shrunk to \$9.6 billion against a current \$91.6 billion spending plan, thanks to earlier cuts in health and welfare and the new cash.

But Brown still wants to maintain a higher tax rate on sales and vehicles, as well as a smaller income tax credit for dependents over five additional years.

He also wants to reinstate a 0.25 percent income-tax surcharge in 2012 for four years, while eliminating it for 2011. The governor wants all subject to voter approval “as soon as possible.”

Schools, which had been bracing for doomsday cuts, now stand to gain \$3 billion more than they are getting this year.

**Read the whole story**