California Losing People and Income

Data published by the Tax Foundation\(^1\) indicate that more than 388,000 people moved into California, while more than 500,000 people left California in 2007-2008. As a result, California lost 112,500 residents and more than $2.5 billion in income.

The major states welcoming Californians were:
- Texas, 32,406
- Arizona, 15,533
- Oregon, 12,577
- Nevada, 12,094
- Washington, 11,890

The major states sending residents to California were:
- Michigan, 2,782
- Massachusetts, 1,984
- Illinois, 1,903
- Florida, 1,898
- New York, 1,822

The reasons for the loss of population and income include
- The worsening economic conditions caused by the state’s budgetary problem
- Relocation and disinvestment of companies due to high business taxes and heavy regulatory burdens
- Higher costs of living and doing business

The Tax Foundation database shows that over the past 15 years, California lost 2.2 million more residents and $48 billion in income than it gained. The largest one-year loss was in the recessionary year of 1993-94, when California lost 338,840 more residents and $7.4 billion in income than it gained. Ironically, in 2006-2007, when the national economy was booming, California lost 205,000 more residents and $4.8 billion in income than it gained.

Source:
Jan Norman on Small Business, *The Orange County Register*, November 10, 2010
State to State Migration Data, *Tax Foundation*, http://interactive.taxfoundation.org/migration/

\(^1\) See new interactive website