




STATE OF IOWA

KIM REYNOLDS, GOVERNOR
ADAM GREGG, LT. GOVERNOR

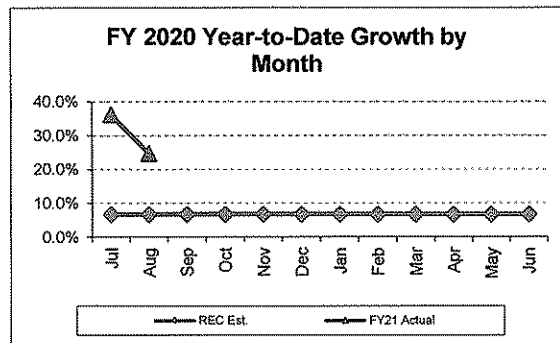
DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: September 2, 2020
TO: The Honorable Kim Reynolds
The Honorable Adam Gregg
FROM: David Roederer, Director 
Department of Management
RE: August 2020 General Fund Receipts

Gross General Fund receipts for August 2020 totaled \$862.6 million, an increase of 13.2 percent over the same period last year. Fiscal year-to-date, gross General Fund receipts totaled \$1,904.1 million or 24.8 percent. The estimate for Fiscal Year 2021 is 6.7 percent.

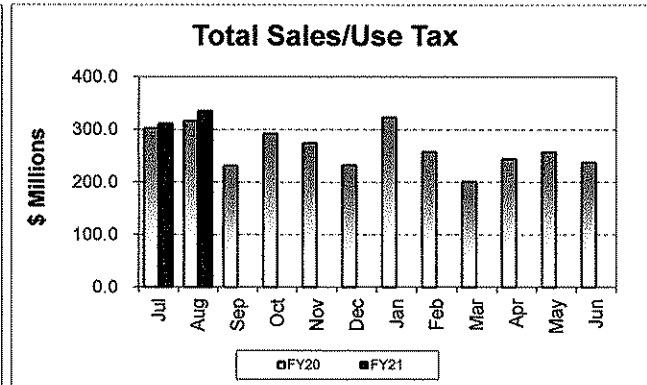
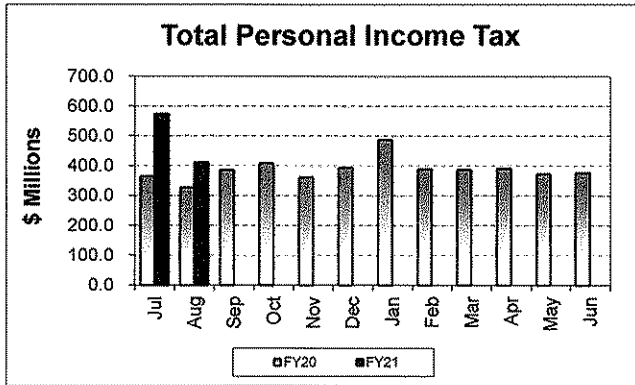
Summary

Fiscal year-to-date gross receipts on a cash basis are 24.8 percent more compared to August 2019. July-August receipts are heavily impacted by the filing date changes for individual and corporate income tax returns from April 30 to July 30, 2020. The current estimate for Fiscal Year 2021 is a growth rate of 6.7 percent for gross receipts on a cash basis.



Personal Income Tax

Personal income tax receipts totaled \$412.4 million during August 2020. This is \$85.4 million or 26.1 percent more than the receipts of August 2019. Withholding tax receipts increased \$31.6 million or 10.2 percent compared to last year. Estimated payments increased \$2.6 million compared to last year. Final return payments increased \$51.2 million. All of the increase in final return payments can be attributed to the filing date changes for individual income tax returns from April 30 to July 30, 2020. Fiscal year-to-date, personal income tax receipts totaled \$1,904.1 million, an increase of 24.8 percent. The estimate for personal income tax for Fiscal Year 2021 is for an increase of 6.7 percent.

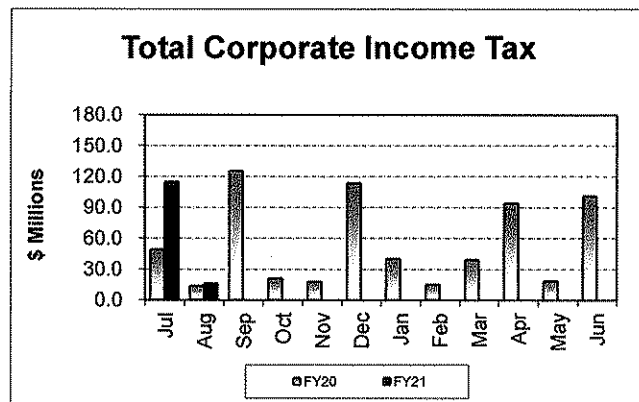


Sales/Use Tax

August sales/use tax receipts totaled \$336.0 million, which represents an increase of \$18.9 million or 6.0 percent over August 2019. Fiscal year-to-date, sales/use tax receipts totaled \$648.2 million, an increase of \$28.2 million or 4.5 percent compared to the same period last year. The estimate for sales/use tax for Fiscal Year 2021 is for no increase over Fiscal Year 2020.

Corporate Income Tax

Corporate income tax receipts during August totaled \$16.1 million, which is \$2.7 million or 20.1 percent more than in August 2019. Fiscal year-to-date corporate income tax receipts totaled \$131.1 million, an increase of \$68.7 million or 110.1 percent. All of the increase in corporate income tax receipts can be attributed to the filing date changes for corporate income tax returns from April 30 to July 30, 2020. The estimate for corporate income tax for Fiscal Year 2021 is for an increase of 15.4 percent for Fiscal Year 2020.



Refunds

For the month of August, the Department of Revenue issued \$62.7 million in refunds on a cash basis. This compares to \$45.1 million issued August 2019. For the fiscal year-to-date, total refunds issued on a cash basis were \$124.2 million. This compares to \$83.3 million issued at this time last year.

Fiscal Year 2020 Year-to-Date Net General Fund Receipts on an Accrual Basis

As can be seen from the chart below, year-to-date net General Fund receipts have decreased 3.6 percent, which is below the REC estimate of 1.0 percent. However, with the change in filing dates from April 30 to July 30, 2020 for individual and corporate income tax returns, it is anticipated when accrual adjustments are made, actual amounts will more closely match the estimates. We will update this table monthly until the State's books are closed at the end of September 2020.

Net General Fund Receipts

Accrual Basis

Through August 31, 2020

	<u>FY19</u>	<u>FY20</u>	<u>Variance</u>	<u>Percent</u>	<u>Adjusted Estimate</u>
Total Gross Receipts	8,650.6	8,403.6	(247.0)	-2.9%	0.7%
Transfers	118.4	109.2	(9.2)	-7.8%	-16.3%
Refunds	(1,131.9)	(1,120.3)	11.6	-1.0%	-4.1%
School Infrastructure Transfer	(503.5)	(513.9)	(10.4)	2.1%	1.6%
Net General Fund Revenues compared to REC	<u>7,133.6</u>	<u>6,878.6</u>	<u>(255.0)</u>	-3.6%	1.0%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING AUGUST 31, 2020
(\$ MILLIONS)**

CASH BASIS

	MONTH OF AUGUST		FY21 Over (Under) FY20		FY21 Annual Est Percent Of Growth
	FY20	FY21	Dollars	Percent	
Personal Income Tax	\$327.0	\$412.4	\$85.4	26.1%	10.5%
Sales/Use Tax	317.1	336.0	18.9	6.0%	0.0%
Corporate Income Tax	13.4	16.1	2.7	20.1%	15.4%
Inheritance Tax	9.7	7.8	(1.9)	-19.6%	6.7%
Insurance Premium Tax	64.2	64.2	0.0	0.0%	6.1%
Beer Tax	1.3	0.3	(1.0)	-76.9%	31.6%
Franchise Tax	0.2	0.6	0.4	200.0%	8.0%
Miscellaneous Tax	5.9	4.8	(1.1)	100.0%	-18.1%
Total Special Taxes	\$738.8	\$842.2	\$103.4	14.0%	6.9%
Institutional Payments	1.5	0.4	(1.1)	-73.3%	-11.1%
Liquor Transfers:	9.8	11.5	1.7	17.3%	-2.1%
Interest	1.5	0.2	(1.3)	-86.7%	1.3%
Fees	2.7	2.3	(0.4)	-100.0%	8.5%
Judicial Revenue	1.2	1.1	(0.1)	-8.3%	5.5%
Miscellaneous Receipts	6.3	4.9	(1.4)	-22.2%	2.0%
Gaming Revenues	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	\$761.8	\$862.6	\$100.8	13.2%	6.7%
Transfers	\$17.1	\$11.5	(\$5.6)		
Total Rcpts & Transfers	\$778.9	\$874.1	\$95.2		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$45.1)	(\$46.4)	(\$1.3)		
Refunds	(\$50.5)	(\$62.7)	(\$12.2)		
Total Reductions in GF Receipts	(\$95.6)	(\$109.1)	(\$13.5)		

Iowa Department of Management
September 2, 2020

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE TWO MONTHS ENDING AUGUST 31, 2020
(\$ MILLIONS)**

CASH BASIS

	TWO MONTHS THROUGH AUGUST		FY21 Over (Under) FY20		FY21 Annual Est Percent Of Growth
	FY20	FY21	Dollars	Percent	
Personal Income Tax	\$691.7	\$986.4	\$294.7	42.6%	10.5%
Sales/Use Tax	620.0	648.2	28.2	4.5%	0.0%
Corporate Income Tax	62.4	131.1	68.7	110.1%	15.4%
Inheritance Tax	16.2	12.9	(3.3)	-20.4%	6.7%
Insurance Premium Tax	67.1	66.9	(0.2)	-0.3%	6.1%
Beer Tax	2.6	0.8	(1.8)	-69.2%	34.6%
Franchise Tax	8.2	8.0	(0.2)	-2.4%	8.0%
Miscellaneous Tax	8.8	7.6	(1.2)	0.0%	-18.1%
Total Special Taxes	\$1,477.0	\$1,861.9	\$384.9	26.1%	6.9%
Institutional Payments	2.7	0.9	(1.8)	-66.7%	-11.1%
Liquor Transfers:	21.3	24.6	3.3	15.5%	-2.1%
Interest	1.9	0.5	(1.4)	-73.7%	1.3%
Fees	5.7	4.4	(1.3)	-22.8%	8.5%
Judicial Revenue	5.3	3.6	(1.7)	-32.1%	5.5%
Miscellaneous Receipts	11.8	8.2	(3.6)	-30.5%	2.0%
Gaming Revenues	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	\$1,525.7	\$1,904.1	\$378.4	24.8%	6.7%
Transfers	\$40.6	\$36.0	(\$4.6)		
Total Rcpts & Transfers	\$1,566.3	\$1,940.1	\$373.8		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$89.3)	(\$93.9)	(\$4.6)		
Refunds	(83.3)	(124.2)	(40.9)		
Total Reductions in GF Receipts	(\$172.6)	(\$218.1)	(\$45.5)		

Iowa Department of Management
September 2, 2020

