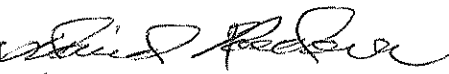




STATE OF IOWA

KIM REYNOLDS, GOVERNOR
ADAM GREGG, LT. GOVERNOR

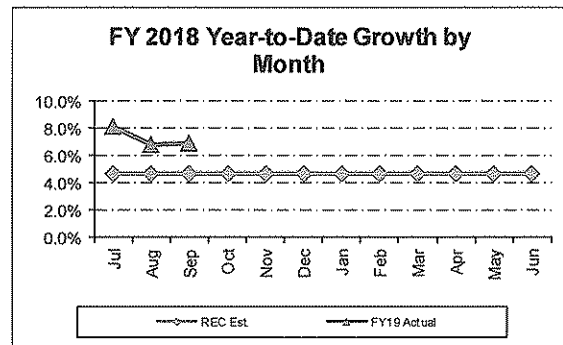
DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: October 2, 2018
TO: The Honorable Kim Reynolds
The Honorable Adam Gregg
FROM: David Roederer, Director 
Department of Management
RE: September 2018 General Fund Receipts

Gross General Fund receipts for September 2018 totaled \$752.4 million, an increase of 7.2 percent over the same period last year. September 2018 had one less processing day compared to September 2017. Fiscal year-to-date, gross General Fund receipts totaled \$2,197.4 million or 6.9 percent. The estimate for Fiscal Year 2019 is 4.7 percent.

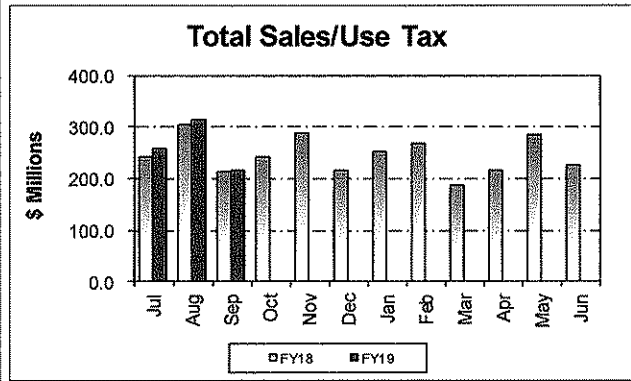
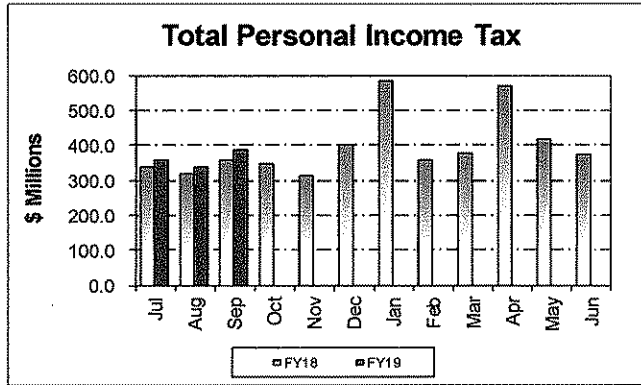
Summary

Fiscal year-to-date gross receipts on a cash basis were 6.9 percent more compared to September 2017. The current estimate for Fiscal Year 2018 is a growth rate of 4.7 percent for gross receipts and will be reviewed when the Revenue Estimating Conference meets on October 16.



Personal Income Tax

Personal income tax receipts totaled \$384.2 million during September 2018. This is \$26.5 million or 7.4 percent more than the receipts of September 2017. Withholding tax receipts increased \$31.4 million or 11.6 percent compared to last year. Estimated payments decreased \$3.6 million compared to last year. Final return payments decreased \$1.3 million. Fiscal year-to-date, personal income tax receipts totaled \$1,078.8 million, an increase of 6.8 percent. The estimate for personal income tax for Fiscal Year 2018 is for an increase of 5.0 percent.

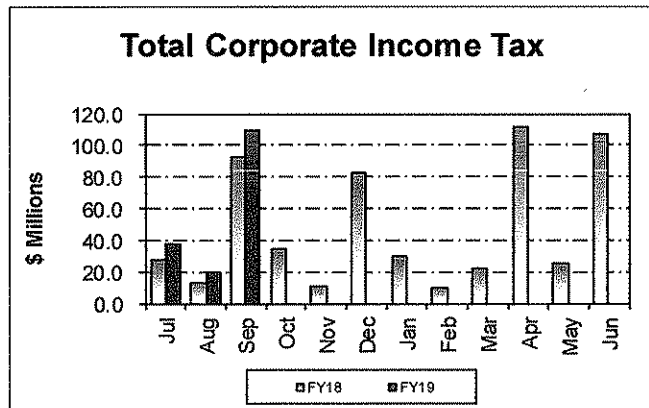


Sales/Use Tax

September sales/use tax receipts totaled \$216.6 million, which represents an increase of \$3.5 million or 1.6 percent over September 2017. Fiscal year-to-date, sales/use tax receipts totaled \$787.3 million, an increase of \$28.8 million or 3.8 percent compared to the same period last year. The estimate for sales/use tax for Fiscal Year 2019 is for an increase of 3.3 percent.

Corporate Income Tax

Corporate income tax receipts during September totaled \$109.3 million, which is \$17.1 million or 18.5 percent more than in September 2017. Fiscal year-to-date corporate income tax receipts totaled \$165.7 million, an increase of \$33.1 million or 25.0 percent. The estimate for corporate income tax for Fiscal Year 2019 is for an increase of 14.9 percent.



Refunds

For the month of September, the Department of Revenue issued \$28.5 million in refunds on a cash basis. This compares to \$66.2 million issued September 2017. For the fiscal year-to-date, total refunds issued on a cash basis were \$93.7 million. This compares to \$108.5 million issued at this time last year.

Fiscal Year 2018 Year-to-Date Net General Fund Receipts on an Accrual Basis

As can be seen from the chart below, Fiscal Year 2018 net General Fund revenues on an accrual basis increased 2.0 percent, which is more than the REC's estimate of 0.4%.

Net General Fund Receipts

Accrual Basis

Through September 30, 2018

	<u>FY17</u>	<u>FY18</u>	<u>Variance</u>	<u>Percent</u>	<u>Adjusted Estimate</u>
Total Gross Receipts	8,484.7	8,878.8	394.1	4.6%	3.9%
Transfers	275.5	121.0	(154.5)	-56.1%	-59.8%
Refunds	(1,059.8)	(1,135.1)	(75.3)	7.1%	11.1%
School Infrastructure Transfer	(460.4)	(480.8)	(20.4)	4.4%	4.1%
Net General Fund Revenues before transfers	<u>7,240.0</u>	<u>7,383.9</u>	<u>143.9</u>	2.0%	0.4%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING SEPTEMBER 30, 2018
(\$ MILLIONS)**

CASH BASIS

	MONTH OF SEPTEMBER		FY19 Over (Under) FY18		FY19 Annual Est Percent Of Growth
	FY18	FY19	Dollars	Percent	
Personal Income Tax	\$357.7	\$384.2	\$26.5	7.4%	5.0%
Sales/Use Tax	213.1	216.6	3.5	1.6%	3.3%
Corporate Income Tax	92.2	109.3	17.1	18.5%	14.9%
Inheritance Tax	6.2	6.7	0.5	8.1%	2.3%
Insurance Premium Tax	0.0	0.1	0.1	100.0%	-1.8%
Beer Tax	1.4	1.5	0.1	7.1%	2.2%
Franchise Tax	10.6	8.0	(2.6)	-24.5%	10.3%
Miscellaneous Tax	0.1	0.0	(0.1)	0.0%	-17.6%
Total Special Taxes	\$681.3	\$726.4	\$45.1	6.6%	5.0%
Institutional Payments	0.9	1.4	0.5	55.6%	-20.8%
Liquor Transfers:	8.4	11.6	3.2	38.1%	-1.7%
Interest	0.1	0.5	0.4	400.0%	-57.4%
Fees	2.1	2.2	0.1	-100.0%	-5.0%
Judicial Revenue	6.9	7.8	0.9	13.0%	0.0%
Miscellaneous Receipts	2.4	2.5	0.1	4.2%	-1.0%
Total Receipts	\$702.1	\$752.4	\$50.3	7.2%	4.7%
Transfers	\$0.0	\$0.6	\$0.6		
Transfer from Economic Emergency Fund	13.0	0.0	(13.0)		
Total Rcpts & Transfers	\$715.1	\$753.0	\$37.9		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$31.4)	(\$47.3)	(\$15.9)		
Refunds	(66.2)	(28.5)	37.7		
Total Reductions in GF Receipts	(\$97.6)	(\$75.8)	\$21.8		

Iowa Department of Management
October 2, 2018

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2018
(\$ MILLIONS)**

CASH BASIS

	THREE MONTHS THROUGH SEPTEMBER		FY19 Over (Under) FY18		FY19 Annual Est Percent Of Growth
	FY18	FY19	Dollars	Percent	
Personal Income Tax	\$1,010.3	\$1,078.8	\$68.5	6.8%	5.0%
Sales/Use Tax	758.5	787.3	28.8	3.8%	3.3%
Corporate Income Tax	132.6	165.7	33.1	25.0%	14.9%
Inheritance Tax	21.7	24.1	2.4	11.1%	2.3%
Insurance Premium Tax	53.3	55.8	2.5	4.7%	-1.8%
Beer Tax	4.1	4.1	0.0	0.0%	2.2%
Franchise Tax	12.1	11.3	(0.8)	-6.6%	10.3%
Miscellaneous Tax	0.1	0.0	(0.1)	0.0%	-17.6%
Total Special Taxes	\$1,992.7	\$2,127.1	\$134.4	6.7%	5.0%
Institutional Payments	3.1	3.6	0.5	16.1%	-20.8%
Liquor Transfers:	26.7	30.7	4.0	15.0%	-1.7%
Interest	0.3	1.3	1.0	333.3%	-57.4%
Fees	6.8	6.3	(0.5)	-7.4%	-5.0%
Judicial Revenue	13.5	13.4	(0.1)	-0.7%	0.0%
Miscellaneous Receipts	12.3	15.0	2.7	22.0%	-1.0%
Total Receipts	\$2,055.4	\$2,197.4	\$142.0	6.9%	4.7%
Transfers	\$29.7	\$40.8	\$11.1		
Transfer from Economic Emergency Fund	13.0	0.0	(13.0)		
Total Rcpts & Transfers	\$2,098.1	\$2,238.2	\$140.1		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$111.9)	(\$130.6)	(\$18.7)		
Refunds	(108.5)	(93.7)	14.8		
Total Reductions in GF Receipts	(\$220.4)	(\$224.3)	(\$3.9)		

Iowa Department of Management
October 2, 2018