



DATE: July 3, 2023

TO: The Honorable Kim Reynolds
The Honorable Adam Gregg

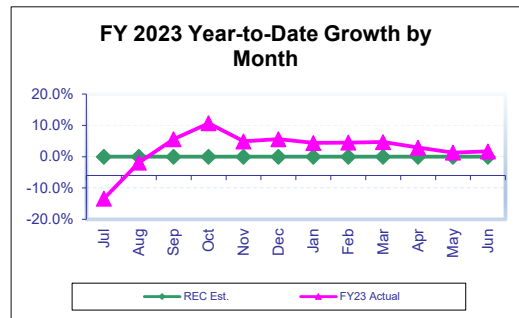
FROM: Kraig Paulsen, Director *Kraig Paulsen*

RE: June 2023 General Fund Receipts

Gross General Fund receipts for June 2023 totaled \$1,076.3 million, an increase of 5.6 percent over the same period last year. Fiscal year-to-date, gross General Fund receipts totaled \$11,513.1 million. This is \$192.4 million or 1.7 percent more than last year. The estimate for Fiscal Year 2023 is for no change from Fiscal Year 2022 actual.

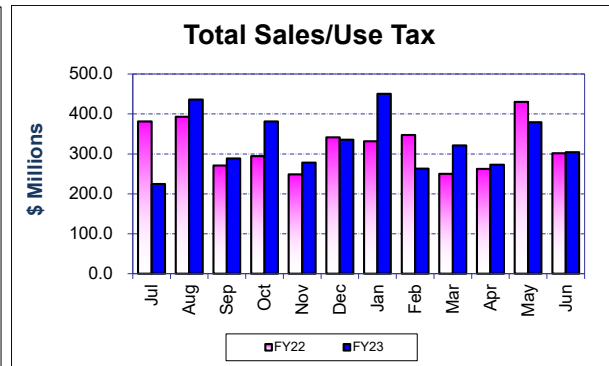
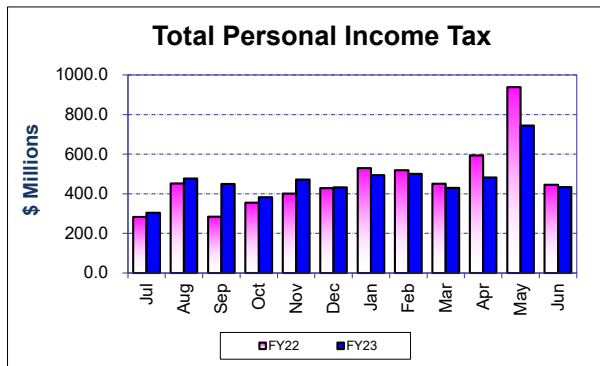
Summary

Fiscal year-to-date gross receipts on a cash basis are 1.7 percent more compared to the same period in Fiscal Year 2023. The current estimate is for no change from last year's actual for gross receipts on a cash basis.



Personal Income Tax

June 2023 personal income tax receipts totaled \$433.5 million which represents a decrease of \$11.3 million or 2.5 percent compared to June 2022. Withholding tax receipts decreased \$61.8 million or 19.0 percent compared to last year. Estimated payments decreased \$16.2 million compared to last year. Final return payments increased \$66.7 million. Fiscal year-to-date, personal income tax receipts totaled \$5,559.3 million, a decrease of 3.1 percent. The estimate for personal income tax for Fiscal Year 2023 is for a decrease of 2.5 percent.

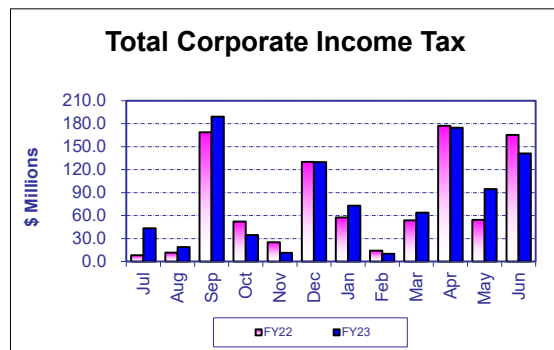


Sales/Use Tax

June 2023 sales/use tax receipts totaled \$304.5 million, which represents an increase of \$2.8 million or 0.9 percent compared to June 2022. Fiscal year-to-date, sales/use tax receipts totaled \$3,937.1 million, an increase of \$83.4 million or 2.2 percent compared to the same period last year. The estimate for sales/use tax for Fiscal Year 2023 is for a decrease of 3.5 percent over Fiscal Year 2022.

Corporate Income Tax

June 2023 corporate income tax receipts totaled \$141.2 million, which represents a decrease of \$24.0 million or 14.5 percent compared to June 2022. Fiscal year-to-date corporate income tax receipts totaled \$984.1 million, an increase of \$65.1 million or 7.1 percent. The estimate for corporate income tax for Fiscal Year 2023 is for an increase of 4.6 percent over Fiscal Year 2022.



Refunds

June 2023, the Department of Revenue issued \$90.3 million in refunds on a cash basis. This compares to \$68.4 million issued June 2022. For the fiscal year-to-date, total refunds issued on a cash basis were \$1,177.5 million. This compares to \$1,043.0 million issued at this time last year.

FY 2023 Year-to-Date Net General Fund Receipts on an Accrual Basis

With twelve months of the fiscal year completed, as can be seen from the chart below, year-to-date net General Fund receipts have decreased 0.3 percent, which is slightly ahead of the REC estimate of a decrease of 0.5 percent. We will update this table monthly until the State's books are closed at the end of September 2023.

Net General Fund Receipts

Accrual Basis

Through June 30, 2023

	<u>FY22</u>	<u>FY23</u>	<u>Variance</u>	<u>Percent</u>	<u>Adjusted Estimate</u>
Total Gross Receipts	10,578.9	10,818.5	239.6	2.3%	1.7%
Transfers	73.7	91.8	18.1	24.6%	-0.5%
Refunds	(959.8)	(1,108.4)	(148.6)	15.5%	6.4%
School Infrastructure Transfer	(521.7)	(658.3)	(136.6)	26.2%	31.2%
Net General Fund Revenues compared to REC	<u>9,171.1</u>	<u>9,143.6</u>	<u>(27.5)</u>	-0.3%	-0.5%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING JUNE 30, 2023
(\$ MILLIONS)**

CASH BASIS

	MONTH OF JUNE		FY23 Over (Under) FY22		FY23 Annual Est Percent Of Growth
	FY22	FY23	Dollars	Percent	
Personal Income Tax	\$444.8	\$433.5	(\$11.3)	-2.5%	-2.5%
Sales/Use Tax	301.7	304.5	2.8	0.9%	-3.5%
Corporate Income Tax	165.2	141.2	(24.0)	-14.5%	4.6%
Inheritance Tax	12.1	13.6	1.5	12.4%	-4.4%
Insurance Premium Tax	53.3	29.0	(24.3)	100.0%	4.3%
Beer Tax	1.3	1.4	0.1	7.7%	-5.9%
Franchise Tax	10.5	20.9	10.4	99.0%	-11.5%
Miscellaneous Tax	(0.6)	88.9	89.5	-14916.7%	274.1%
Total Special Taxes	\$988.3	\$1,033.0	\$44.7	4.5%	-0.5%
Institutional Payments	1.7	1.9	0.2	11.8%	-13.8%
Liquor Transfers:	11.4	13.9	2.5	21.9%	-0.9%
Interest	0.5	5.8	5.3	1060.0%	2105.6%
Fees	3.3	3.1	(0.2)	-6.1%	-6.8%
Judicial Revenue	9.5	9.8	0.3	3.2%	20.0%
Miscellaneous Receipts	4.4	8.8	4.4	100.0%	-20.5%
Gaming Revenues	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	\$1,019.1	\$1,076.3	\$57.2	5.6%	0.0%
Transfers	\$0.2	\$7.2	\$7.0		
Total Rcpts & Transfers	\$1,019.3	\$1,083.5	\$64.2		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$42.2)	(\$58.1)	(\$15.9)		
Refunds	(\$68.4)	(\$90.3)	(\$21.9)		
Total Reductions in GF Receipts	(\$110.6)	(\$148.4)	(\$37.8)		

Iowa Department of Management
July 3, 2023

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE TWELVE MONTHS ENDING JUNE 30, 2023
(\$ MILLIONS)**

CASH BASIS

	TWELVE MONTHS THROUGH JUNE		FY23 Over (Under) FY22		FY23 Annual Est Percent Of Growth
	FY22	FY23	Dollars	Percent	
Personal Income Tax	\$5,780.1	\$5,599.3	(\$180.8)	-3.1%	-2.5%
Sales/Use Tax	3,853.7	3,937.1	83.4	2.2%	-3.5%
Corporate Income Tax	919.0	984.1	65.1	7.1%	4.6%
Inheritance Tax	97.7	93.6	(4.1)	-4.2%	-4.4%
Insurance Premium Tax	151.0	174.4	23.4	15.5%	4.3%
Beer Tax	13.6	13.3	(0.3)	-2.2%	-5.9%
Franchise Tax	72.4	92.5	20.1	27.8%	-11.5%
Miscellaneous Tax	68.7	190.0	121.3	176.6%	274.1%
Total Special Taxes	\$10,956.2	\$11,084.3	\$128.1	1.2%	-0.5%
Institutional Payments	11.6	13.3	1.7	14.7%	-13.8%
Liquor Transfers:	152.9	150.5	(2.4)	-1.6%	-0.9%
Interest	3.6	70.3	66.7	1852.8%	2105.6%
Fees	30.7	29.7	(1.0)	-3.3%	-6.8%
Judicial Revenue	88.2	89.1	0.9	1.0%	20.0%
Miscellaneous Receipts	75.2	73.6	(1.6)	-2.1%	-20.5%
Gaming Revenues	2.3	2.3	0.0	0.0%	0.0%
Total Receipts	\$11,320.7	\$11,513.1	\$192.4	1.7%	0.0%
Transfers	\$115.3	\$137.6	\$22.3		
Total Rcpts & Transfers	\$11,436.0	\$11,650.7	\$214.7		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$607.4)	(\$707.9)	(\$100.5)		
Refunds	(1,043.0)	(1,177.5)	(134.5)		
Total Reductions in GF Receipts	(\$1,650.4)	(\$1,885.4)	(\$235.0)		

Iowa Department of Management
July 3, 2023