Fields of Opportunities

STATE OF IOWA

TERRY E. BRANSTAD, GOVERNOR
KIM REYNOLDS, LT. GOVERNOR

DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: November 2, 2011

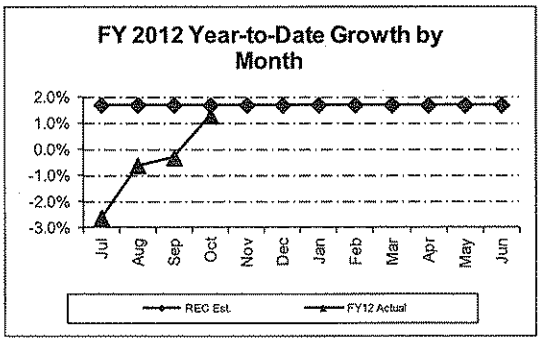
TO: The Honorable Terry E Branstad
The Honorable Kim Reynolds

FROM: David Roederer, Director
Department of Management

RE: October 2011 General Fund Receipts

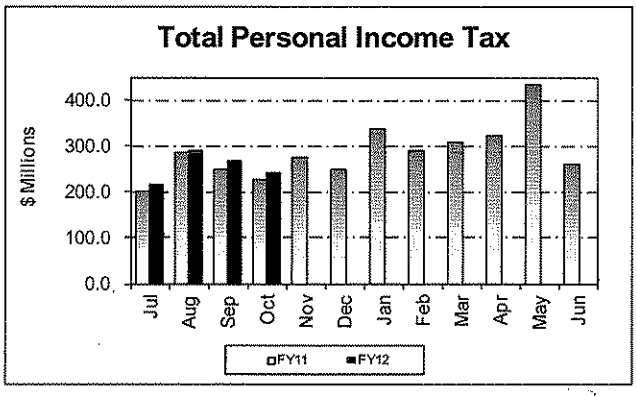
Gross General Fund receipts for October 2011 totaled $466.4 million, an increase of 7.5 percent over the same period last year. Fiscal year-to-date, gross General Fund receipts totaled $2,089.1 million, an increase of 1.3 percent over the same period last year and compares to the estimate of 1.7% for the fiscal year. Current revenues are influenced by the accounting change which requires the first $106 million of cigarette and tobacco tax each fiscal year to be deposited into the Health Care Trust Fund instead of the General Fund starting on July 1, 2011. The current annual estimate takes this change into account.

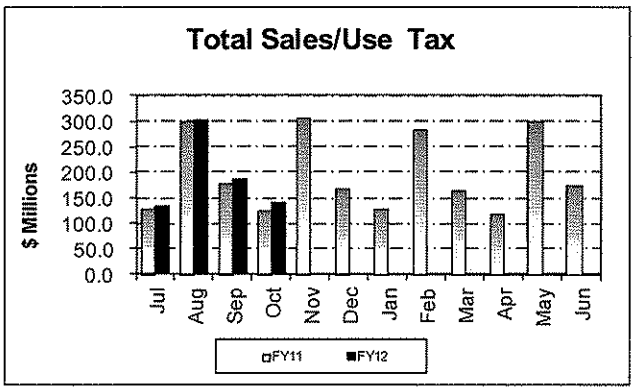
Summary
Fiscal year-to-date gross receipts are 1.3 percent higher through October 2011 and slightly lower when compared to the current annual estimate for FY2012 of 1.7 percent. However, current revenues are influenced by the accounting change starting July 1, 2011, which requires the first $106 million of cigarette and tobacco tax to be deposited into the Health Care Trust Fund instead of the General Fund each fiscal year.



Personal Income Tax

Personal income tax receipts totaled $240.9 million during October 2011. This is $11.1 million or 4.8 percent more than the receipts of October 2010. Withholding tax receipts increased $2.9 million or 1.5 percent compared to last year. Estimated payments increased $2.6 million compared to last year. Final return payments increased $5.6 million compared to October 2010. Fiscal year-to-date, personal income tax receipts totaled $1,015.8 million, an increase of 4.5 percent The current estimate for personal income tax for Fiscal Year 2012 is a 3.7 percent.



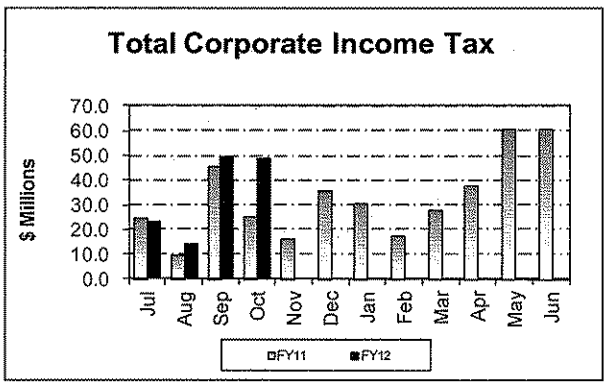


Sales/Use Tax

October sales/use tax receipts totaled $139.6 million, which represents an increase of $12.5 million or 9.8 percent over October 2010. Fiscal year-to-date, sales/use tax receipts totaled $760.5 million, an increase of 3.5 percent. The current estimate for sales/use tax for Fiscal Year 2012 is a 2.2 percent.

Corporate Income Tax

Corporate income tax receipts during October totaled $48.8 million, which is $23.4 million or 92.1 percent more than in October 2010. Almost one-half of the increase is due to an unanticipated deposit in estimate payments. It is not known at this time whether or not this is a one-time deposit or should be anticipated on a periodic basis. Fiscal year-to-date, corporate income tax receipts totaled $135.0 million, an increase of 27.2 percent. The REC's estimate for corporate income tax for Fiscal Year 2012 is 9.7 percent.



Refunds

For the month of October, the Department of Revenue issued $28.7 million in refunds on a cash basis. This compares to $27.3 million issued October 2010. For the fiscal year-to-date, total refunds issued on a cash basis were $133.7 million. This compares to $117.8 million issued at this time last year.

STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING OCTOBER 31, 2011
($ MILLIONS)

CASH BASIS

	MONTH OF OCTOBER		FY12 Over (Under) FY11		FY12 Annual Est Percent
	FY11	FY12	Dollars	Percent	Of Growth
Personal Income Tax	$229.8	$240.9	$11.1	4.8%	3.7%
Sales/Use Tax	127.1	139.6	12.5	9.8%	2.2%
Corporate Income Tax	25.4	48.8	23.4	92.1%	9.7%
Inheritance Tax	5.2	4.4	(0.8)	-15.4%	5.0%
Insurance Premium Tax	0.1	0.0	(0.1)	-100.0%	2.1%
Cigarette Tax	14.8	0.0	(14.8)	-100.0%	-48.5%
Tobacco Tax	2.2	0.0	(2.2)	-100.0%	-46.7%
Beer Tax	1.2	1.3	0.1	8.3%	-0.7%
Franchise Tax	1.5	3.7	2.2	146.7%	1.7%
Miscellaneous Tax	0.0	0.1	0.1	0.0%	0.0%
Total Special Taxes	**$407.3**	**$438.8**	**$31.5**	**7.7%**	**1.7%**
Institutional Payments	0.6	0.5	(0.1)	-16.7%	52.0%
Liquor Transfers:	12.3	11.3	(1.0)	-8.1%	1.3%
Interest	0.4	0.2	(0.2)	-50.0%	0.0%
Fees	2.5	0.6	(1.9)	-76.0%	-6.0%
Judicial Revenue	7.6	11.6	4.0	52.6%	10.2%
Miscellaneous Receipts	1.8	2.1	0.3	16.7%	-28.1%
Racing and Gaming	1.3	1.3	0.0	0.0%	0.0%
Total Receipts	**$433.8**	**$466.4**	**$32.6**	**7.5%**	**1.7%**
Transfers	$14.5	$17.2	$2.7		
Total Rcpts & Transfers	**$448.3**	**$483.6**	$35.3		
Reductions in General Fund Receipts					
School Infrastructure Transfer	($30.0)	($31.9)	($1.9)		
Refunds	($27.3)	($28.7)	($1.4)		
Total Reductions in GF Receipts	**($57.3)**	**($60.6)**	**($3.3)**		

Iowa Department of Management
November 2, 2011

GENERAL FUND RECEIPTS STATEMENT
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2011
($ MILLIONS)

CASH BASIS

	FOUR MONTHS THROUGH OCTOBER		FY12 Over (Under) FY11		FY12 Annual Est Percent
	FY11	FY12	Dollars	Percent	Of Growth
Personal Income Tax	$972.2	$1,015.8	$43.6	4.5%	3.7%
Sales/Use Tax	734.9	760.5	25.6	3.5%	2.2%
Corporate Income Tax	106.1	135.0	28.9	27.2%	9.7%
Inheritance Tax	23.8	23.7	(0.1)	-0.4%	5.0%
Insurance Premium Tax	49.4	46.8	(2.6)	-5.3%	2.1%
Cigarette Tax	69.3	0.0	(69.3)	-100.0%	-48.5%
Tobacco Tax	9.8	2.5	(7.3)	-74.5%	-46.7%
Beer Tax	5.5	5.5	0.0	0.0%	-0.7%
Franchise Tax	8.9	12.1	3.2	36.0%	1.7%
Miscellaneous Tax	0.1	0.1	0.0	0.0%	0.0%
Total Special Taxes	**$1,980.0**	**$2,002.0**	**$22.0**	**1.1%**	**1.7%**
Institutional Payments	3.6	4.8	1.2	33.3%	52.0%
Liquor Transfers:	34.8	34.2	(0.6)	-1.7%	1.3%
Interest	1.0	0.7	(0.3)	-30.0%	0.0%
Fees	9.3	7.8	(1.5)	-16.1%	-6.0%
Judicial Revenue	20.4	29.7	9.3	45.6%	10.2%
Miscellaneous Receipts	11.1	8.6	(2.5)	-22.5%	-28.1%
Racing and Gaming	1.3	1.3	0.0	0.0%	0.0%
Total Receipts	**$2,061.5**	**$2,089.1**	**$27.6**	**1.3%**	**1.7%**
Transfers	$38.3	$37.6	($0.7)		
Total Rcpts & Transfers	**$2,099.8**	**$2,126.7**	**$26.9**		
Reductions in General Fund Receipts					
School Infrastructure Transfer	($129.7)	($155.5)	($25.8)		
Refunds	(117.8)	(133.7)	(15.9)		
Total Reductions in GF Receipts	**($247.5)**	**($289.2)**	**($41.7)**		

Iowa Department of Management
November 2, 2011