Fields of Opportunities

# STATE OF IOWA

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

**DEPARTMENT OF MANAGEMENT**
David Roederer, Director

DATE: March 2, 2012

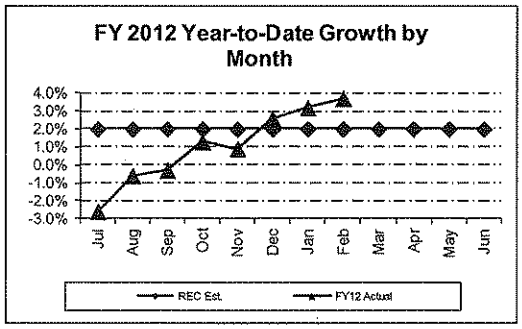
TO: The Honorable Terry E Branstad
The Honorable Kim Reynolds

FROM: David Roederer, Director
Department of Management

RE: February 2012 General Fund Receipts

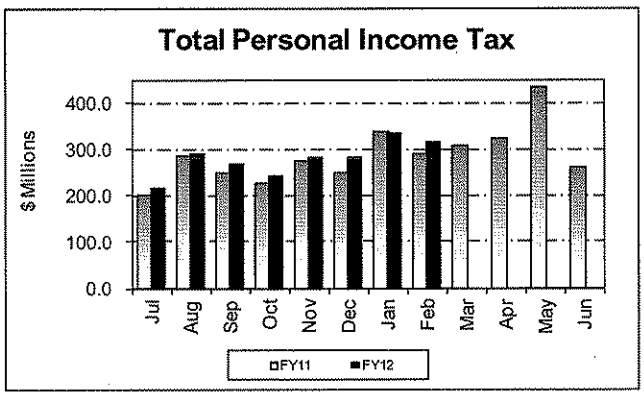
Gross General Fund receipts for February 2012 totaled $681.4 million, an increase of 6.5 percent over the same period last year. Fiscal year-to-date, gross General Fund receipts totaled $4,628.6 million, an increase of 3.7 percent over the same period last year and compares to the estimate of 2.0% for 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. Also, February 2012 receipts are influenced by one additional processing day this year compared to last year due to leap year adding February 29. If this additional processing day is not added, year-to-date revenues would have grown 2.8%.

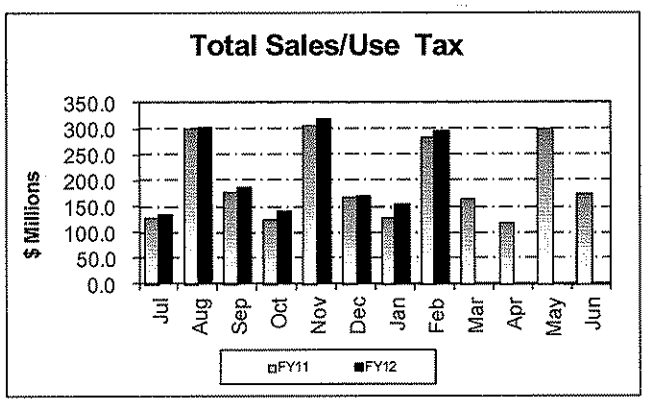
**Summary**
**Fiscal year-to-date gross receipts are 3.7 percent higher through February 2012 compared to February 2011. Gross receipts are running ahead of the Revenue Estimating Conference estimate of 2.0 percent for the fiscal year and were influenced by an additional processing day this year compared to last year due to leap year adding February 29. Without this processing day, fiscal year-to-date growth would have been 2.8 percent.**




## Personal Income Tax

Personal income tax receipts totaled $315.6 million during February 2012. This is $26.0 million or 9.0 percent more than the receipts of February 2011. Withholding tax receipts increased $20.9 million or 7.7 percent compared to last year. Estimated payments decreased $4.5 million compared to last year. Final return payments increased $9.6 million compared to February 2011. Fiscal year-to-date, personal income tax receipts totaled $2,228.5 million, an increase of 4.7 percent. The current estimate for personal income tax for Fiscal Year 2012 is for an increase of 3.5 percent.



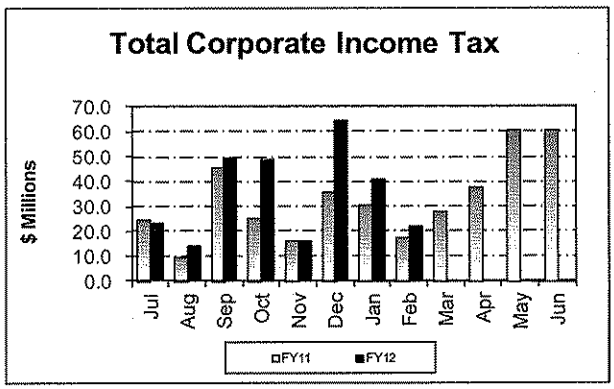




Sales/Use Tax

February sales/use tax receipts totaled $295.1 million, which represents an increase of $12.6 million or 4.5 percent over February 2011. Fiscal year-to-date, sales/use tax receipts totaled $1,697.3 million, an increase of 4.6 percent. The current estimate for sales/use tax for Fiscal Year 2012 is for an increase of 2.7 percent.

Corporate Income Tax

Corporate income tax receipts during February totaled $21.7 million, which is $4.3 million or 24.7 percent more than in February 2011. Fiscal year-to-date, corporate income tax receipts totaled $278.5 million, an increase of 34.9 percent. The REC's estimate for corporate income tax for Fiscal Year 2012 is for an increase of 14.2 percent.




Refunds

For the month of February, the Department of Revenue issued $170.9 million in refunds on a cash basis. This compares to $164.0 million issued February 2011. For the fiscal year-to-date, total refunds issued on a cash basis were $422.4 million. This compares to $384.8 million issued at this time last year.

# STATE OF IOWA
# GENERAL FUND RECEIPTS STATEMENT
# FOR THE MONTH ENDING FEBRUARY 29, 2012
## ($ MILLIONS)

**CASH BASIS**

| | MONTH OF FEBRUARY | | FY12 Over (Under) FY11 | | FY12 Annual Est Percent |
|---|---|---|---|---|---|
| | FY11 | FY12 | Dollars | Percent | Of Growth |
| **Personal Income Tax** | $289.6 | $315.6 | $26.0 | 9.0% | 3.5% |
| **Sales/Use Tax** | 282.5 | 295.1 | 12.6 | 4.5% | 2.7% |
| **Corporate Income Tax** | 17.4 | 21.7 | 4.3 | 24.7% | 14.2% |
| **Inheritance Tax** | 4.1 | 4.9 | 0.8 | 19.5% | 4.1% |
| **Insurance Premium Tax** | 1.6 | 1.6 | 0.0 | 0.0% | 1.1% |
| **Cigarette Tax** | 14.7 | 13.4 | (1.3) | -8.8% | -49.2% |
| **Tobacco Tax** | 1.7 | 1.7 | 0.0 | 0.0% | -44.5% |
| **Beer Tax** | 0.8 | 0.9 | 0.1 | 12.5% | -2.1% |
| **Franchise Tax** | 0.5 | 0.9 | 0.4 | 80.0% | 8.3% |
| **Miscellaneous Tax** | 0.0 | 0.0 | 0.0 | 0.0% | 0.0% |
| **Total Special Taxes** | **$612.9** | **$655.8** | **$42.9** | **7.0%** | **2.1%** |
| **Institutional Payments** | 1.2 | 0.7 | (0.5) | -41.7% | 52.0% |
| **Liquor Transfers:** | 6.2 | 6.3 | 0.1 | 1.6% | 1.3% |
| **Interest** | 0.3 | 0.2 | (0.1) | -33.3% | 0.0% |
| **Fees** | 4.9 | 5.2 | 0.3 | 6.1% | -14.0% |
| **Judicial Revenue** | 9.2 | 11.1 | 1.9 | 20.7% | 10.2% |
| **Miscellaneous Receipts** | 1.8 | 2.1 | 0.3 | 16.7% | -28.9% |
| **Racing and Gaming** | 3.6 | 0.0 | (3.6) | 0.0% | 0.0% |
| **Total Receipts** | **$640.1** | **$681.4** | **$41.3** | **6.5%** | **2.0%** |
| **Transfers** | $0.1 | $0.0 | ($0.1) | | |
| **Total Rcpts & Transfers** | **$640.2** | **$681.4** | $41.2 | | |

**Reductions in General Fund Receipts**

| | | | |
|---|---|---|---|
| **School Infrastructure Transfer** | ($29.4) | ($31.0) | ($1.6) |
| **Refunds** | ($164.0) | ($170.9) | ($6.9) |
| **Total Reductions in GF Receipts** | **($193.4)** | **($201.9)** | **($8.5)** |

**Iowa Department of Management**
**March 2, 2012**

# STATE OF IOWA
# GENERAL FUND RECEIPTS STATEMENT
# FOR THE EIGHT MONTHS ENDING FEBRUARY 29, 2012
## ($ MILLIONS)

**CASH BASIS**

| | EIGHT MONTHS THROUGH FEBRUARY | | FY12 Over (Under) FY11 | | FY12 Annual Est Percent |
|---|---|---|---|---|---|
| | FY11 | FY12 | Dollars | Percent | Of Growth |
| **Personal Income Tax** | $2,128.5 | $2,228.5 | $100.0 | 4.7% | 3.5% |
| **Sales/Use Tax** | 1,622.9 | 1,697.3 | 74.4 | 4.6% | 2.7% |
| **Corporate Income Tax** | 206.5 | 278.5 | 72.0 | 34.9% | 14.2% |
| **Inheritance Tax** | 43.6 | 51.9 | 8.3 | 19.0% | 4.1% |
| **Insurance Premium Tax** | 51.3 | 48.5 | (2.8) | -5.5% | 1.1% |
| **Cigarette Tax** | 130.8 | 31.8 | (99.0) | -75.7% | -49.2% |
| **Tobacco Tax** | 18.2 | 6.9 | (11.3) | -62.1% | -44.5% |
| **Beer Tax** | 9.8 | 9.7 | (0.1) | -1.0% | -2.1% |
| **Franchise Tax** | 20.1 | 22.6 | 2.5 | 12.4% | 8.3% |
| **Miscellaneous Tax** | 0.4 | 0.4 | 0.0 | 0.0% | 0.0% |
| **Total Special Taxes** | **$4,232.1** | **$4,376.1** | **$144.0** | **3.4%** | **2.1%** |
| **Institutional Payments** | 6.6 | 7.4 | 0.8 | 12.1% | 52.0% |
| **Liquor Transfers:** | 59.6 | 60.9 | 1.3 | 2.2% | 1.3% |
| **Interest** | 2.5 | 1.6 | (0.9) | -36.0% | 0.0% |
| **Fees** | 22.1 | 21.7 | (0.4) | -1.8% | -14.0% |
| **Judicial Revenue** | 57.1 | 68.5 | 11.4 | 20.0% | 10.2% |
| **Miscellaneous Receipts** | 19.1 | 26.4 | 7.3 | 38.2% | -28.9% |
| **Racing and Gaming** | 65.3 | 66.0 | 0.7 | 0.0% | 0.0% |
| **Total Receipts** | **$4,464.4** | **$4,628.6** | **$164.2** | **3.7%** | **2.0%** |
| **Transfers** | $56.5 | $64.8 | $8.3 | | |
| **Total Rcpts & Transfers** | **$4,520.9** | **$4,693.4** | **$172.5** | | |
| **Reductions in General Fund Receipts** | | | | | |
| **School Infrastructure Transfer** | ($254.6) | ($286.1) | ($31.5) | | |
| **Refunds** | (384.8) | (422.4) | (37.6) | | |
| **Total Reductions in GF Receipts** | **($639.4)** | **($708.5)** | **($69.1)** | | |

**Iowa Department of Management**
**March 2, 2012**