Fields of Opportunities

STATE OF IOWA

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

DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: May 2, 2012

TO: The Honorable Terry E Branstad
The Honorable Kim Reynolds

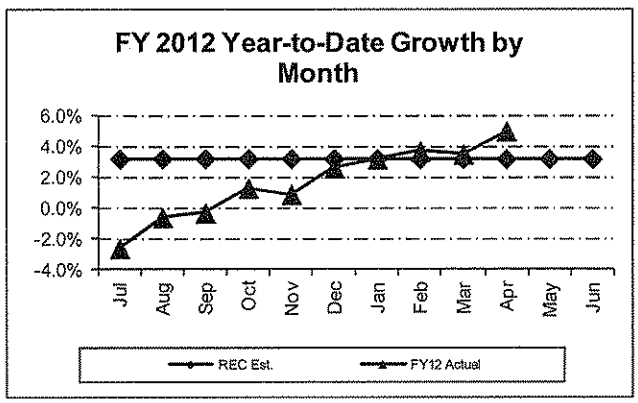
FROM: David Roederer, Director
Department of Management

RE: April 2012 General Fund Receipts

Gross General Fund receipts for April 2012 totaled $637.1 million, an increase of 19.5 percent over the same period last year. April 30 is the due date for individual and calendar-year corporate and franchise tax final returns and estimate payments, along with quarterly payments for the first quarter 2012 sales tax. In 2011, April 30 fell on a Saturday pushing the due date for these payments to May 2. This weekend shifted an estimated $55.2 million into May from April 2011. Also, an estimated $26.0 million in individual return payments deposited in April 2012 can be attributed to faster processing of tax returns and enhanced payment options for electronically filed returns. Incorporating these two adjustments lowers April 2012 growth 3.8 percent. Fiscal year-to-date, gross General Fund receipts totaled $5,846.1 million, an increase of 5.0 percent over the same period last year and compares to the estimate of 3.2% 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.

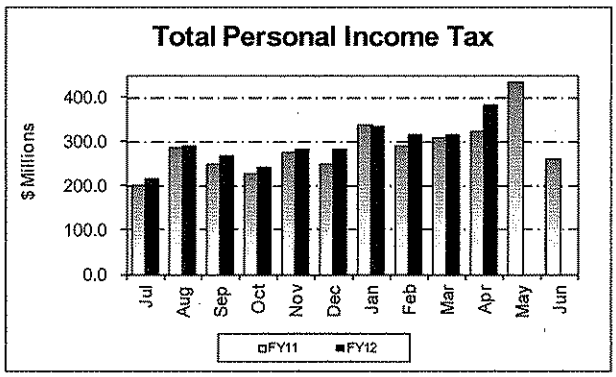
Summary

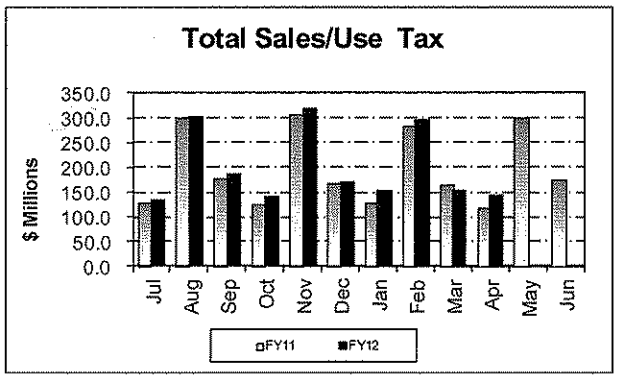
Fiscal year-to-date gross receipts are 5.0 percent higher through April 2012 compared to April 2011. Gross receipts are running slightly ahead of the Revenue Estimating Conference estimate of 3.2 percent for the fiscal year. However some of this growth can be attributed to the due date of April 30 for final tax returns, estimate payments, and quarterly sales tax payments. Last year April 30 fell on a weekend pushing an estimated $55.2 million of these payments to May, whereas this year April 30 fell on a Monday, and these payments were collected in April.



Personal Income Tax

Personal income tax receipts totaled $381.5 million during April 2012. This is $57.3 million or 17.7 percent more than the receipts of April 2011. Withholding tax receipts increased $5.7 million or 3.0 percent compared to last year. Estimated payments increased $6.9 million compared to last year. Final return payments increased $44.7 million compared to April 2011. Fiscal year-to-date, personal income tax receipts totaled $2,925.0 million, an increase of 5.8 percent. The current estimate for personal income tax for Fiscal Year 2012 is for an increase of 4.5 percent.



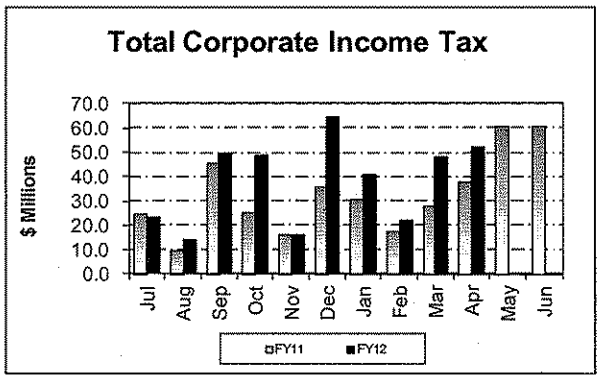


Sales/Use Tax

April sales/use tax receipts totaled $145.1 million, which represents an increase of $25.6 million or 21.4 percent over April 2011. Fiscal year-to-date, sales/use tax receipts totaled $1,995.1 million, an increase of 4.6 percent. The current estimate for sales/use tax for Fiscal Year 2012 is for an increase of 3.2 percent.

Corporate Income Tax

Corporate income tax receipts during April totaled $51.7 million, which is $13.7 million or 36.1 percent more than in April 2011. Fiscal year-to-date, corporate income tax receipts totaled $378.1 million, an increase of 38.7 percent. The REC's estimate for corporate income tax for Fiscal Year 2012 is for an increase of 25.5 percent.



Refunds

For the month of April, the Department of Revenue issued $164.4 million in refunds on a cash basis. This compares to $177.1 million issued April 2011. For the fiscal year-to-date, total refunds issued on a cash basis were $763.4 million. This compares to $725.9 million issued at this time last year.

STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING APRIL 30, 2012
($ MILLIONS)

CASH BASIS

	MONTH OF APRIL		FY12 Over (Under) FY11		FY12 Annual Est Percent
	FY11	FY12	Dollars	Percent	Of Growth
Personal Income Tax	$324.2	$381.5	$57.3	17.7%	4.5%
Sales/Use Tax	119.5	145.1	25.6	21.4%	3.2%
Corporate Income Tax	38.0	51.7	13.7	36.1%	25.5%
Inheritance Tax	3.7	6.9	3.2	86.5%	12.5%
Insurance Premium Tax	0.1	0.3	0.2	0.0%	-0.8%
Cigarette Tax	17.3	13.6	(3.7)	-21.4%	-52.3%
Tobacco Tax	1.8	1.9	0.1	5.6%	-43.0%
Beer Tax	1.1	1.2	0.1	9.1%	0.0%
Franchise Tax	1.8	7.0	5.2	288.9%	5.8%
Miscellaneous Tax	0.3	0.3	0.0	0.0%	0.0%
Total Special Taxes	**$507.8**	**$609.5**	**$101.7**	**20.0%**	**3.4%**
Institutional Payments	0.5	1.7	1.2	240.0%	52.0%
Liquor Transfers:	6.7	8.8	2.1	31.3%	3.0%
Interest	0.1	0.3	0.2	200.0%	0.0%
Fees	2.2	(0.5)	(2.7)	-122.7%	-14.3%
Judicial Revenue	13.7	13.2	(0.5)	-3.6%	10.2%
Miscellaneous Receipts	2.3	4.1	1.8	78.3%	-28.9%
Racing and Gaming	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	**$533.3**	**$637.1**	**$103.8**	**19.5%**	**3.2%**
Transfers	$21.2	$23.2	$2.0		
Total Rcpts & Transfers	**$554.5**	**$660.3**	$105.8		
Reductions in General Fund Receipts					
School Infrastructure Transfer	($28.1)	($31.3)	($3.2)		
Refunds	($177.1)	($164.4)	$12.7		
Total Reductions in GF Receipts	**($205.2)**	**($195.7)**	**$9.5**		

Iowa Department of Management
May 2, 2012

STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE TEN MONTHS ENDING APRIL 30, 2012
($ MILLIONS)

CASH BASIS

	TEN MONTHS THROUGH APRIL		FY12 Over (Under) FY11		FY12 Annual Est Percent
	FY11	FY12	Dollars	Percent	Of Growth
Personal Income Tax	$2,763.6	$2,925.0	$161.4	5.8%	4.5%
Sales/Use Tax	1,907.4	1,995.1	87.7	4.6%	3.2%
Corporate Income Tax	272.6	378.1	105.5	38.7%	25.5%
Inheritance Tax	52.7	62.3	9.6	18.2%	12.5%
Insurance Premium Tax	58.5	58.2	(0.3)	-0.5%	-0.8%
Cigarette Tax	162.3	66.9	(95.4)	-58.8%	-52.3%
Tobacco Tax	22.6	11.1	(11.5)	-50.9%	-43.0%
Beer Tax	11.8	12.0	0.2	1.7%	0.0%
Franchise Tax	25.1	32.5	7.4	29.5%	5.8%
Miscellaneous Tax	0.8	0.8	0.0	0.0%	0.0%
Total Special Taxes	**$5,277.4**	**$5,542.0**	**$264.6**	**5.0%**	**3.4%**
Institutional Payments	7.7	10.0	2.3	29.9%	52.0%
Liquor Transfers:	74.6	78.0	3.4	4.6%	3.0%
Interest	2.7	2.1	(0.6)	-22.2%	0.0%
Fees	27.5	25.0	(2.5)	-9.1%	-14.3%
Judicial Revenue	80.1	90.4	10.3	12.9%	10.2%
Miscellaneous Receipts	31.3	32.6	1.3	4.2%	-28.9%
Racing and Gaming	66.0	66.0	0.0	0.0%	0.0%
Total Receipts	**$5,567.3**	**$5,846.1**	**$278.8**	**5.0%**	**3.2%**
Transfers	$77.7	$88.1	$10.4		
Total Rcpts & Transfers	**$5,645.0**	**$5,934.2**	**$289.2**		
Reductions in General Fund Receipts					
School Infrastructure Transfer	($310.9)	($346.4)	($35.5)		
Refunds	(725.9)	(763.4)	(37.5)		
Total Reductions in GF Receipts	**($1,036.8)**	**($1,109.8)**	**($73.0)**		

Iowa Department of Management
May 2, 2012