Fields of Opportunities

STATE OF IOWA

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

DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: November 2, 2012

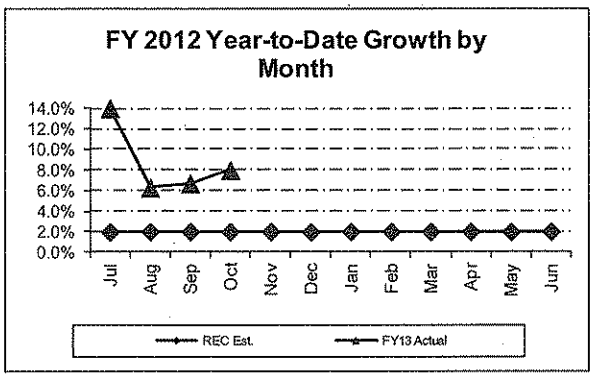
TO: The Honorable Terry E Branstad
The Honorable Kim Reynolds

FROM: David Roederer, Director
Department of Management

RE: October 2012 General Fund Receipts

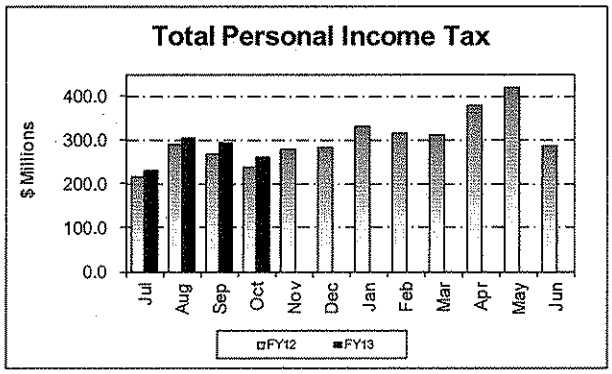
Gross General Fund receipts for October 2012 totaled $526.0 million, an increase of 12.8 percent over the same period last year. October 2012 had 2 more processing days compared to October 2011. Also individual, corporate and franchise estimate payments for the third quarter were due September 31 last year, but October 1 this year due to September 31 falling on a weekend. It is estimated $22.3 million in deposits were pushed into October as a result of the due date change. Fiscal year-to-date, gross General Fund receipts totaled $2,257.0 million or 8.0%. The current estimate for FY2012 is 4.3 percent.

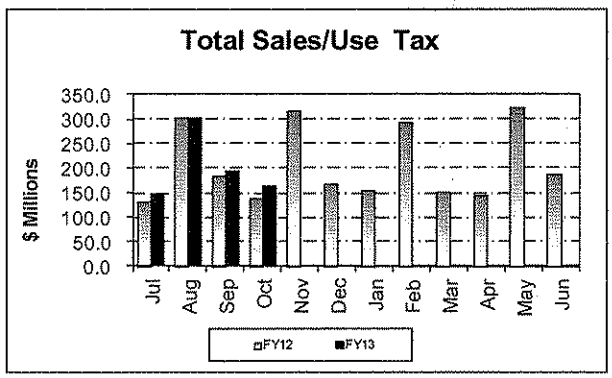
Summary
Fiscal year-to-date gross receipts are 8.0 percent higher compared to October 2011. All three major taxes are contributing to the growth, with corporate income tax growing at 31.5 percent, personal income tax growing at 6.9 percent and sales/use tax growing at 5.1 percent. The current estimate for FY2013 is a growth rate of 4.3 percent for gross receipts.



Personal Income Tax

Personal income tax receipts totaled $260.9 million during October 2012. This is $20.0 million or 8.3 percent more than the receipts of October 2011. Withholding tax receipts increased $4.4 million or 2.2 percent compared to last year. Estimated payments increased $15.6 million with a significant portion of the increase due to the due date for estimate payments moving to October 1 compared to September 31 last year. Final return payments were at the same amount as received in October 2011. Fiscal year-to-date, personal income tax receipts totaled $1,086.3 million, an increase of 6.9 percent. The current estimate for personal income tax for Fiscal Year 2013 is for an increase of 4.2 percent.



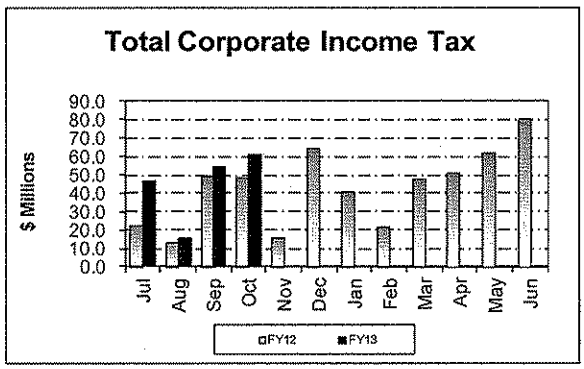


Sales/Use Tax

October sales/use tax receipts totaled $163.4 million, which represents an increase of $23.4 million or 16.8 percent over October 2011. Fiscal year-to-date, sales/use tax receipts totaled $806.6 million, an increase of 6.1 percent. The current estimate for sales/use tax for Fiscal Year 2013 is for an increase of 3.8 percent.

Corporate Income Tax

Corporate income tax receipts during October totaled $61.2 million, which is $12.4 million or 25.4 percent more than in October 2011. Fiscal year-to-date corporate income tax receipts totaled $177.5 million, an increase of 31.5 percent. The REC's estimate for corporate income tax for Fiscal Year 2012 is for an increase of 11.6 percent.



Refunds

For the month of October, the Department of Revenue issued $26.3 million in refunds on a cash basis. This compares to $28.7 million issued October 2011. For the fiscal year-to-date, total refunds issued on a cash basis were $113.9 million. This compares to $133.7 million issued at this time last year.

STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING OCTOBER 31, 2012
($ MILLIONS)

CASH BASIS

	MONTH OF OCTOBER		FY13 Over (Under) FY12		FY13 Annual Est Percent
	FY12	FY13	Dollars	Percent	Of Growth
Personal Income Tax	$240.9	$260.9	$20.0	8.3%	5.3%
Sales/Use Tax	139.6	163.0	23.4	16.8%	3.8%
Corporate Income Tax	48.8	61.2	12.4	25.4%	11.6%
Inheritance Tax	4.4	8.2	3.8	86.4%	5.0%
Insurance Premium Tax	0.0	0.0	0.0	0.0%	2.4%
Cigarette Tax	0.0	0.0	0.0	0.0%	-1.2%
Tobacco Tax	0.0	0.0	0.0	0.0%	-1.2%
Beer Tax	1.3	1.1	(0.2)	-15.4%	1.4%
Franchise Tax	3.7	4.9	1.2	32.4%	5.8%
Miscellaneous Tax	0.1	0.1	0.0	0.0%	0.0%
Total Special Taxes	**$438.8**	**$499.4**	**$60.6**	**13.8%**	**5.1%**
Institutional Payments	0.5	0.7	0.2	40.0%	7.0%
Liquor Transfers:	11.3	7.0	(4.3)	-38.1%	0.0%
Interest	0.2	0.2	0.0	0.0%	0.0%
Fees	0.6	1.6	1.0	166.7%	-12.3%
Judicial Revenue	11.6	11.0	(0.6)	-5.2%	0.1%
Miscellaneous Receipts	2.1	4.8	2.7	128.6%	-18.0%
Racing and Gaming	1.3	1.3	0.0	0.0%	-39.4%
Total Receipts	**$466.4**	**$526.0**	**$59.6**	**12.8%**	**4.3%**
Transfers	$17.2	$31.9	$14.7		
Total Rcpts & Transfers	**$483.6**	**$557.9**	$74.3		
Reductions in General Fund Receipts					
School Infrastructure Transfer	($31.9)	($31.8)	$0.1		
Refunds	($28.7)	($26.3)	$2.4		
Total Reductions in GF Receipts	**($60.6)**	**($58.1)**	**$2.5**		

Iowa Department of Management
November 2, 2012

STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE FOUR MONTHS ENDING OCTOBER 31, 2012
($ MILLIONS)

CASH BASIS

	FOUR MONTHS THROUGH OCTOBER		FY13 Over (Under) FY12		FY13 Annual Est Percent
	FY12	FY13	Dollars	Percent	Of Growth
Personal Income Tax	$1,015.8	$1,086.3	$70.5	6.9%	5.3%
Sales/Use Tax	760.5	806.6	46.1	6.1%	3.8%
Corporate Income Tax	135.0	177.5	42.5	31.5%	11.6%
Inheritance Tax	23.7	27.6	3.9	16.5%	5.0%
Insurance Premium Tax	46.8	47.2	0.4	0.9%	2.4%
Cigarette Tax	0.0	0.0	0.0	0.0%	-1.2%
Tobacco Tax	2.5	2.5	0.0	0.0%	-1.2%
Beer Tax	5.5	5.7	0.2	3.6%	1.4%
Franchise Tax	12.1	13.6	1.5	12.4%	5.8%
Miscellaneous Tax	0.1	0.1	0.0	0.0%	0.0%
Total Special Taxes	**$2,002.0**	**$2,167.1**	**$165.1**	**8.2%**	**5.1%**
Institutional Payments	4.8	4.4	(0.4)	-8.3%	7.0%
Liquor Transfers:	34.2	34.0	(0.2)	-0.6%	0.0%
Interest	0.7	0.6	(0.1)	-14.3%	0.0%
Fees	7.8	9.5	1.7	21.8%	-12.3%
Judicial Revenue	29.7	26.9	(2.8)	-9.4%	0.1%
Miscellaneous Receipts	8.6	13.2	4.6	53.5%	-18.0%
Racing and Gaming	1.3	1.3	0.0	0.0%	-39.4%
Total Receipts	**$2,089.1**	**$2,257.0**	**$167.9**	**8.0%**	**4.3%**
Transfers	$37.6	$66.1	$28.5		
Total Rcpts & Transfers	**$2,126.7**	**$2,323.1**	**$196.4**		
Reductions in General Fund Receipts					
School Infrastructure Transfer	($155.5)	($158.0)	($2.5)		
Refunds	(133.7)	(113.9)	19.8		
Total Reductions in GF Receipts	**($289.2)**	**($271.9)**	**$17.3**		

Iowa Department of Management
November 2, 2012