



STATE OF IOWA

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

DEPARTMENT OF MANAGEMENT
David Roederer, Director

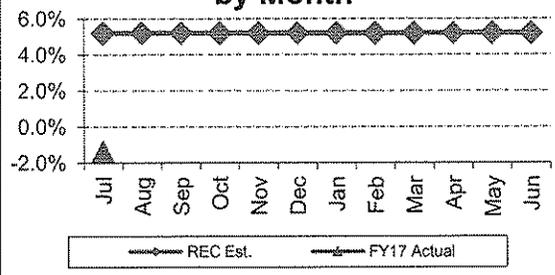
DATE: August 2, 2016
TO: The Honorable Terry E Branstad
The Honorable Kim Reynolds
FROM: David Roederer, Director
Department of Management
RE: July 2016 General Fund Receipts

Gross General Fund receipts for July 2016 totaled \$484.2 million, a decrease of 1.4 percent over the same period last year. There were two less processing days this July compared to July 2015. The current estimate for FY2017 is 5.2 percent.

Summary

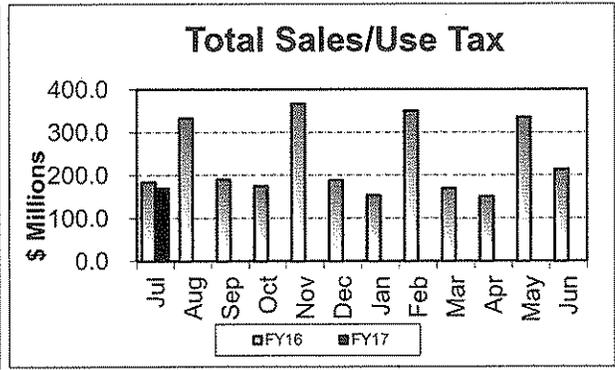
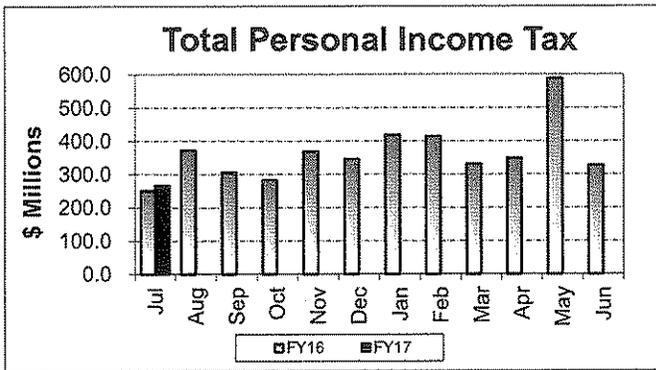
Fiscal year-to-date gross receipts are 1.4 percent lower compared to July 2015. The current estimate for FY2017 is a growth rate of 5.2 percent for gross receipts.

FY 2017 Year-to-Date Growth by Month



Personal Income Tax

Personal income tax receipts totaled \$267.1 million during July 2016. This is \$15.8 million or 6.3 percent more than the receipts of July 2015. Withholding tax receipts increased \$22.9 million or 10.9 percent compared to last year. Estimated payments decreased \$5.8 million compared to last year. Final return payments increased \$1.3 million. The current estimate for personal income tax for Fiscal Year 2016 is for an increase of 8.9 percent.

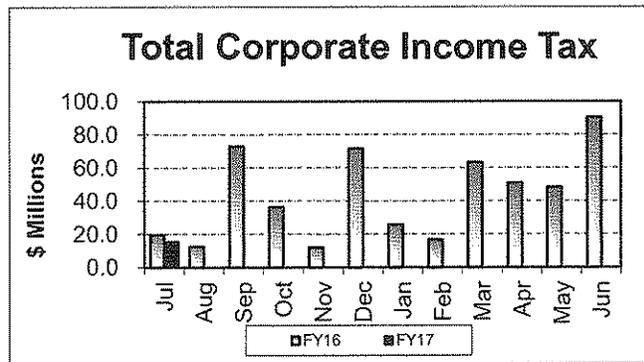


Sales/Use Tax

July sales/use tax receipts totaled \$169.8 million, which represents a decrease of \$14.1 million or 7.7 percent over July 2015. The due date for second quarter retail sales returns fell on Monday, August 1 this year. Last year the due date was Friday, July 31. A comparison of sales receipts processing over the July-August period will be provided next month. The current estimate for sales/use tax for Fiscal Year 2017 is for an increase of 1.4 percent.

Corporate Income Tax

Corporate income tax receipts during July totaled \$15.5 million, which is \$4.2 million or 21.3 percent less than in July 2015. The REC's estimate for corporate income tax for Fiscal Year 2016 is for an increase of 2.2 percent.



Refunds

For the month of July, the Department of Revenue issued \$52.5 million in refunds on a cash basis. This compares to \$44.2 million issued July 2015.

FY 2016 Year-to-Date Net General Fund Receipts on an Accrual Basis

As can be seen from the chart below, year-to-date net General Fund receipts have increased 1.0 percent which is less than the REC's estimate of 1.9 percent. We will update this table monthly until the State's books are closed at the end of September 2016.

Net General Fund Receipts

Accrual Basis

Through July 31, 2016

	<u>FY15</u>	<u>FY16</u>	<u>Variance</u>	<u>Percent</u>	<u>Adjusted Estimate</u>
Total Gross Receipts	7,551.3	7,707.1	155.8	2.1%	2.5%
Transfers	112.0	96.4	(15.6)	-13.9%	-16.6%
Refunds	(954.6)	(1,012.1)	(57.5)	6.0%	4.8%
School Infrastructure Transfer	(443.2)	(461.7)	(18.5)	4.2%	2.1%
Net General Fund Revenues	<u>6,265.5</u>	<u>6,329.7</u>	<u>64.2</u>	1.0%	1.9%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE ONE MONTH ENDING JULY 31, 2016
(\$ MILLIONS)**

CASH BASIS

	MONTH OF JULY		FY17 Over (Under) FY16		FY17 Annual Est Percent Of Growth
	FY16	FY17	Dollars	Percent	
Personal Income Tax	\$251.3	\$267.1	\$15.8	6.3%	8.9%
Sales/Use Tax	183.9	169.8	(14.1)	-7.7%	1.4%
Corporate Income Tax	19.7	15.5	(4.2)	-21.3%	2.2%
Inheritance Tax	6.0	6.8	0.8	13.3%	11.0%
Insurance Premium Tax	2.9	0.4	(2.5)	-86.2%	-10.9%
Beer Tax	1.4	1.5	0.1	7.1%	2.8%
Franchise Tax	2.9	1.2	(1.7)	-58.6%	-7.5%
Miscellaneous Tax	0.0	0.0	0.0	0.0%	-6.7%
Total Special Taxes	\$468.1	\$462.3	(\$5.8)	-1.2%	5.3%
Institutional Payments	1.2	1.0	(0.2)	-16.7%	-52.1%
Liquor Transfers:	10.8	9.9	(0.9)	-8.3%	-7.1%
Interest	0.4	0.1	(0.3)	-75.0%	7.3%
Fees	1.6	0.7	(0.9)	-56.3%	-3.2%
Judicial Revenue	6.1	5.0	(1.1)	-18.0%	15.6%
Miscellaneous Receipts	3.0	5.2	2.2	73.3%	-5.9%
Total Gross Tax and Other Receipts	\$491.2	\$484.2	(\$7.0)	-1.4%	5.2%
Transfers	\$18.8	\$21.3	\$2.5		
Total Gross Tax and Other Rcpts & Transfers	\$510.0	\$505.5	(\$4.5)		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$39.4)	(\$39.7)	(\$0.3)		
Refunds	(44.2)	(52.5)	(8.3)		
Total Reductions in GF Receipts	(\$60.7)	(\$92.2)	(\$8.6)		

Iowa Department of Management
August 2, 2016