



STATE OF IOWA

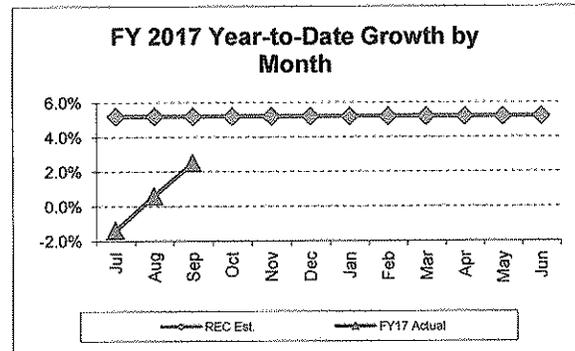
TERRY E. BRANSTAD, GOVERNOR
KIM REYNOLDS, LT. GOVERNOR

DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: October 4, 2016
TO: The Honorable Terry E Branstad
The Honorable Kim Reynolds
FROM: David Roederer, Director *David Roederer*
Department of Management
RE: September 2016 General Fund Receipts

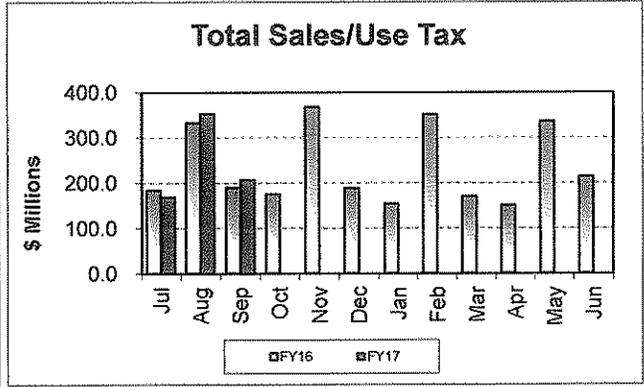
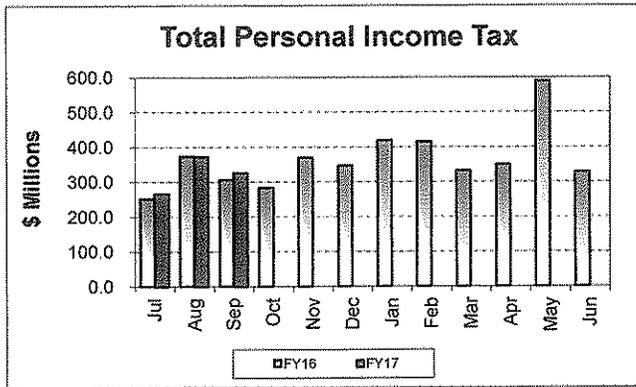
Gross General Fund receipts for September 2016 totaled \$638.8 million, an increase of 6.4 percent over the same period last year. Fiscal year-to-date, gross General Fund receipts totaled \$1,934.7 million or 2.5%. The current estimate for FY2017 is 5.2 percent.

Summary
Fiscal year-to-date gross receipts are 2.5 percent higher compared to September 2015. The current estimate for FY2017 is a growth rate of 5.2 percent for gross receipts and will be reviewed at the next Revenue Estimating Conference meeting.



Personal Income Tax

Personal income tax receipts totaled \$325.9 million during September 2016. This is \$20.0 million or 6.5 percent more than the receipts of September 2015. Withholding tax receipts increased \$9.8 million or 4.1 percent compared to last year. Estimated payments increased \$8.8 million compared to last year. Final return payments increased \$1.4 million. Fiscal year-to-date, personal income tax receipts totaled \$965.5 million, an increase of 3.9 percent. The current estimate for personal income tax for Fiscal Year 2017 is for an increase of 8.9 percent.

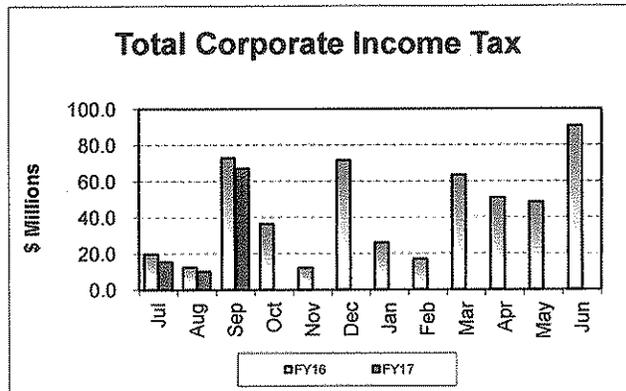


Sales/Use Tax

September sales/use tax receipts totaled \$206.2 million, which represents an increase of \$16.4 million or 8.6 percent over September 2015. Fiscal year-to-date, sales/use tax receipts totaled \$728.7 million, an increase of 3.2 percent. 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 September totaled \$67.1 million, which is \$5.8 million or 8.0 percent less than in September 2015. Fiscal year-to-date corporate income tax receipts totaled \$92.7 million, a decrease of 11.8 percent. The REC's estimate for corporate income tax for Fiscal Year 2017 is for an increase of 2.2 percent.



Refunds

For the month of September, the Department of Revenue issued \$54.4 million in refunds on a cash basis. This compares to \$25.0 million issued September 2015. For the fiscal year-to-date, total refunds issued on a cash basis were \$113.5 million. This compares to \$82.8 million issued at this time last year.

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

As can be seen from the chart below, FY2016 net General Fund receipts on an accrual basis increased 1.5 percent, which is less than the REC's estimate of 1.9 percent.

Net General Fund Receipts

Accrual Basis

Through September 30, 2016

	<u>FY15</u>	<u>FY16</u>	<u>Variance</u>	<u>Percent</u>	<u>REC Estimate</u>
Total Gross Receipts	8,110.5	8,276.9	166.4	2.1%	2.5%
Transfers	127.6	129.4	1.8	1.4%	-16.6%
Refunds	(967.9)	(1,018.3)	(50.4)	5.2%	4.8%
School Infrastructure Transfer	(450.5)	(466.9)	(16.4)	3.6%	2.1%
Net General Fund Revenues	<u>6,819.7</u>	<u>6,921.1</u>	<u>101.4</u>	1.5%	1.9%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING SEPTEMBER 30, 2016
(\$ MILLIONS)**

CASH BASIS

	MONTH OF SEPTEMBER		FY17 Over (Under) FY16		FY17 Annual Est Percent Of Growth
	FY16	FY17	Dollars	Percent	
Personal Income Tax	\$305.9	\$325.9	\$20.0	6.5%	8.9%
Sales/Use Tax	189.8	206.2	16.4	8.6%	1.4%
Corporate Income Tax	72.9	67.1	(5.8)	-8.0%	2.2%
Inheritance Tax	5.8	6.8	1.0	17.2%	11.0%
Insurance Premium Tax	0.0	0.1	0.1	100.0%	-10.9%
Beer Tax	1.3	1.3	0.0	0.0%	2.8%
Franchise Tax	5.8	9.8	4.0	69.0%	-7.5%
Miscellaneous Tax	0.0	0.1	0.1	0.0%	-6.7%
Total Special Taxes	\$581.5	\$617.3	\$35.8	6.2%	5.3%
Institutional Payments	1.1	1.0	(0.1)	-9.1%	-52.1%
Liquor Transfers:	9.3	9.7	0.4	4.3%	-7.1%
Interest	0.2	0.1	(0.1)	-50.0%	7.3%
Fees	2.0	1.9	(0.1)	-5.0%	-3.2%
Judicial Revenue	4.3	6.4	2.1	48.8%	15.6%
Miscellaneous Receipts	1.9	2.4	0.5	26.3%	-5.9%
Total Receipts	\$600.3	\$638.8	\$38.5	6.4%	5.2%
Transfers	\$12.9	\$0.1	(\$12.8)		
Total Rcpts & Transfers	\$613.2	\$638.9	\$25.7		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$46.3)	(\$40.1)	\$6.2		
Refunds	(\$25.0)	(\$54.4)	(\$29.4)		
Total Reductions in GF Receipts	(\$71.3)	(\$94.5)	(\$23.2)		

Iowa Department of Management
October 4, 2016

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2016
(\$ MILLIONS)**

CASH BASIS

	THREE MONTHS THROUGH SEPTEMBER		FY17 Over (Under) FY16		FY17 Annual Est Percent Of Growth
	FY16	FY17	Dollars	Percent	
Personal Income Tax	\$929.4	\$965.5	\$36.1	3.9%	8.9%
Sales/Use Tax	706.1	728.7	22.6	3.2%	1.4%
Corporate Income Tax	105.1	92.7	(12.4)	-11.8%	2.2%
Inheritance Tax	22.4	20.4	(2.0)	-8.9%	11.0%
Insurance Premium Tax	52.3	53.2	0.9	1.7%	-10.9%
Beer Tax	4.1	4.1	0.0	0.0%	2.8%
Franchise Tax	9.0	11.4	2.4	26.7%	-7.5%
Miscellaneous Tax	0.0	0.1	0.1	100.0%	-6.7%
Total Special Taxes	\$1,828.4	\$1,876.1	\$47.7	2.6%	5.3%
Institutional Payments	4.0	2.9	(1.1)	-27.5%	-52.1%
Liquor Transfers:	27.4	27.2	(0.2)	-0.7%	-7.1%
Interest	0.8	0.4	(0.4)	-50.0%	7.3%
Fees	6.5	5.6	(0.9)	-13.8%	-3.2%
Judicial Revenue	14.0	12.7	(1.3)	-9.3%	15.6%
Miscellaneous Receipts	7.1	9.8	2.7	38.0%	-5.9%
Total Receipts	\$1,888.2	\$1,934.7	\$46.5	2.5%	5.2%
Transfers	\$32.0	\$51.4	\$19.4		
Total Rcpts & Transfers	\$1,920.2	\$1,986.1	\$65.9		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$124.7)	(\$124.5)	\$0.2		
Refunds	(82.8)	(113.5)	(30.7)		
Total Reductions in GF Receipts	(\$207.5)	(\$238.0)	(\$30.5)		

Iowa Department of Management
October 4, 2016