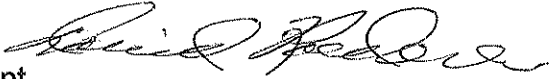




# STATE OF IOWA

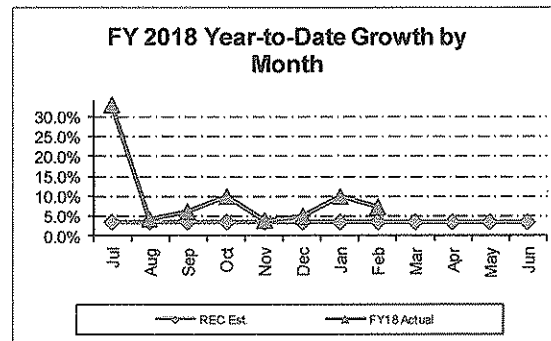
KIM REYNOLDS, GOVERNOR  
ADAM GREGG, LT. GOVERNOR

DEPARTMENT OF MANAGEMENT  
David Roederer, Director

DATE: March 2, 2018  
TO: The Honorable Kim Reynolds  
The Honorable Adam Gregg  
FROM: David Roederer, Director   
Department of Management  
RE: February 2018 General Fund Receipts

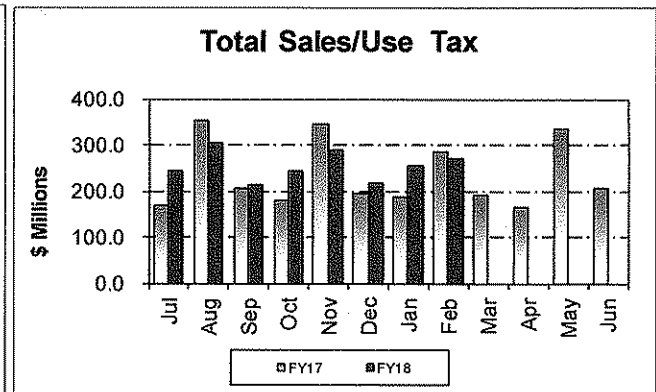
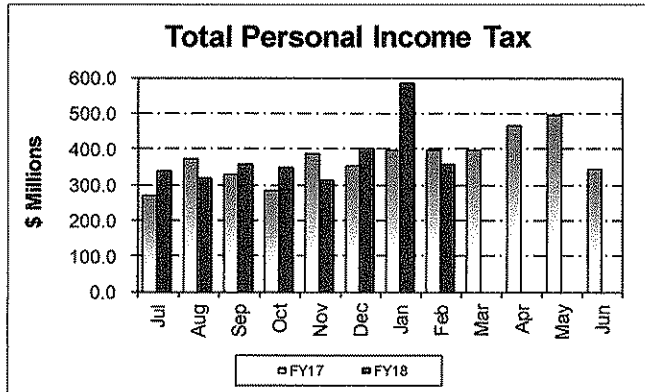
Gross General Fund receipts for February 2018 totaled \$674.4 million, a decrease of 8.2 percent over the same period last year. The decline reflects the overall acceleration of payment processing that shifted deposits from February to January as discussed last month, particularly for withholding, and sales and use taxes. Fiscal year-to-date, gross General Fund receipts totaled \$5,694.6 million or a 7.4 percent increase. The estimate for FY 2018 is an increase of 3.7 percent.

**Summary**  
Fiscal year-to-date gross receipts are 7.4 percent higher compared to February 2017. The current estimate for Fiscal Year 2018 is for a growth rate of 3.7 percent for gross receipts on a cash basis and will be reviewed when the Revenue Estimating Conference meets on March 9.



### Personal Income Tax

Personal income tax receipts totaled \$358.8 million during February 2018. This is \$35.2 million or 8.9 percent less than the receipts of February 2017. Withholding tax receipts decreased \$40.6 million or 11.0 percent compared to last year. Payment acceleration significantly influenced withholding receipts due on January 31. In FY 2017, \$12.3 million was deposited on January 30 and 31, and \$137.9 million was deposited on February 1 and 2. By contrast, this year \$95.3 million was deposited on January 30 and 31, and \$60.2 million was deposited on February 1 and 2. Estimated payments decreased \$3.9 million compared to last year. Final return payments increased \$9.3 million. Fiscal year-to-date personal income tax receipts totaled \$3,013.2 million, an increase of 8.6 percent. The estimate for personal income tax for FY 2018 is for an increase of 4.2 percent.

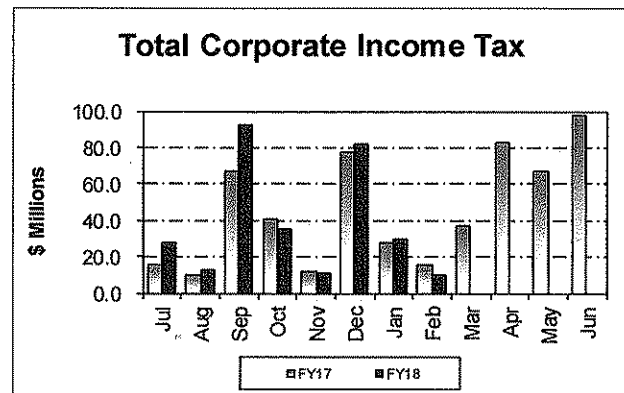


**Sales/Use Tax**

February sales/use tax receipts totaled \$268.4 million, which represents a decrease of \$18.1 million or 6.3 percent less than February 2017. Payment acceleration influenced sales and use taxes due January 31. Last year on January 30 and 31 a total of \$23.0 million tax payments were deposited, while a total of \$108.0 million were deposited on February 1 and 2. This year on January 30 and 31, \$62.0 million in payments were processed, while a total of \$69.0 million were deposited during February 1 and 2. Fiscal year-to-date sales/use tax receipts totaled \$2,027.1 million, an increase of \$106.7 million or 5.6 percent compared to the same period last year. The estimate for sales/use tax for FY 2018 is for an increase of 3.8 percent.

**Corporate Income Tax**

Corporate income tax receipts during February totaled \$9.8 million, which is \$5.6 million or 36.4 percent less than in February 2017. Fiscal year-to-date corporate income tax receipts totaled \$298.9 million, an increase of \$33.7 million or 12.7 percent. The estimate for corporate income tax for FY 2018 is for an increase of 7.8 percent.



**Refunds**

For the month of February, the Department of Revenue issued \$25.6 million in refunds on a cash basis. This compares to \$68.1 million issued February 2017. For the fiscal year-to-date, total refunds issued on a cash basis were \$327.4 million. This compares to \$351.1 million issued at this time last year.

**STATE OF IOWA  
GENERAL FUND RECEIPTS STATEMENT  
FOR THE MONTH ENDING FEBRUARY 28, 2018  
(\$ MILLIONS)**

**CASH BASIS**

	MONTH OF FEBRUARY		FY18 Over (Under) FY17		FY18 Annual Est Percent Of Growth
	FY17	FY18	Dollars	Percent	
Personal Income Tax	\$394.0	\$358.8	(\$35.2)	-8.9%	4.2%
Sales/Use Tax	286.5	268.4	(18.1)	-6.3%	3.8%
Corporate Income Tax	15.4	9.8	(5.6)	-36.4%	7.8%
Inheritance Tax	8.9	4.8	(4.1)	-46.1%	3.1%
Insurance Premium Tax	3.6	3.1	(0.5)	100.0%	-6.0%
Beer Tax	0.9	0.9	0.0	0.0%	0.7%
Franchise Tax	0.5	0.3	(0.2)	-40.0%	-5.4%
Miscellaneous Tax	0.1	0.0	(0.1)	0.0%	-7.1%
<b>Total Special Taxes</b>	<b>\$709.9</b>	<b>\$646.1</b>	<b>(\$63.8)</b>	<b>-9.0%</b>	<b>4.1%</b>
Institutional Payments	1.1	1.7	0.6	54.5%	-21.6%
Liquor Transfers:	8.1	9.3	1.2	14.8%	0.0%
Interest	0.2	0.4	0.2	100.0%	-9.1%
Fees	4.2	5.3	1.1	-100.0%	-0.4%
Judicial Revenue	8.8	9.4	0.6	6.8%	3.3%
Miscellaneous Receipts	2.2	2.2	0.0	0.0%	-27.7%
<b>Total Receipts</b>	<b>\$734.5</b>	<b>\$674.4</b>	<b>(\$60.1)</b>	<b>-8.2%</b>	<b>3.7%</b>
Transfers	\$25.3	\$0.3	(\$25.0)		
Transfer from Economic Emergenc	\$0.0	0.0	0.0		
<b>Total Rcpts &amp; Transfers</b>	<b>\$759.8</b>	<b>\$674.7</b>	<b>(\$85.1)</b>		
<b>Reductions in General Fund Receipts</b>					
School Infrastructure Transfer	(\$34.6)	(\$34.4)	\$0.2		
Refunds	(\$68.1)	(\$25.6)	\$42.5		
<b>Total Reductions in GF Receipts</b>	<b>(\$102.7)</b>	<b>(\$60.0)</b>	<b>\$42.7</b>		

Iowa Department of Management  
March 2, 2018

**STATE OF IOWA  
GENERAL FUND RECEIPTS STATEMENT  
FOR THE EIGHT MONTHS ENDING FEBRUARY 28, 2018  
(\$ MILLIONS)**

**CASH BASIS**

	EIGHT MONTHS THROUGH FEBRUARY		FY18 Over (Under) FY17		FY18 Annual Est Percent Of Growth
	FY17	FY18	Dollars	Percent	
Personal Income Tax	\$2,774.0	\$3,013.2	\$239.2	8.6%	4.2%
Sales/Use Tax	1,920.4	2,027.1	106.7	5.6%	3.8%
Corporate Income Tax	265.2	298.9	33.7	12.7%	7.8%
Inheritance Tax	58.0	56.1	(1.9)	-3.3%	3.1%
Insurance Premium Tax	57.3	58.0	0.7	1.2%	-6.0%
Beer Tax	9.5	9.3	(0.2)	-2.1%	0.7%
Franchise Tax	28.9	32.7	3.8	13.1%	-5.4%
Miscellaneous Tax	0.6	0.6	0.0	100.0%	-7.1%
<b>Total Special Taxes</b>	<b>\$5,113.9</b>	<b>\$5,495.9</b>	<b>\$382.0</b>	<b>7.5%</b>	<b>4.1%</b>
Institutional Payments	6.9	8.3	1.4	20.3%	-21.6%
Liquor Transfers:	77.1	77.4	0.3	0.4%	0.0%
Interest	1.6	2.2	0.6	37.5%	-9.1%
Fees	16.0	18.3	2.3	14.4%	-0.4%
Judicial Revenue	51.9	54.1	2.2	4.2%	3.3%
Miscellaneous Receipts	32.4	38.4	6.0	18.5%	-27.7%
<b>Total Receipts</b>	<b>\$5,299.8</b>	<b>\$5,694.6</b>	<b>\$394.8</b>	<b>7.4%</b>	<b>3.7%</b>
Transfers	\$113.9	\$72.0	(\$41.9)		
Transfer from Economic Emergency Fund		13.0	13.0		
<b>Total Rcpts &amp; Transfers</b>	<b>\$5,413.7</b>	<b>\$5,779.6</b>	<b>\$365.9</b>		
<b>Reductions in General Fund Receipts</b>					
School Infrastructure Transfer	(\$321.7)	(\$311.6)	\$10.1		
Refunds	(351.1)	(327.4)	23.7		
<b>Total Reductions in GF Receipts</b>	<b>(\$672.8)</b>	<b>(\$639.0)</b>	<b>\$33.8</b>		

Iowa Department of Management  
March 2, 2018