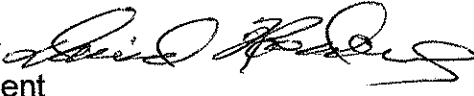




STATE OF IOWA

KIM REYNOLDS, GOVERNOR
ADAM GREGG, LT. GOVERNOR

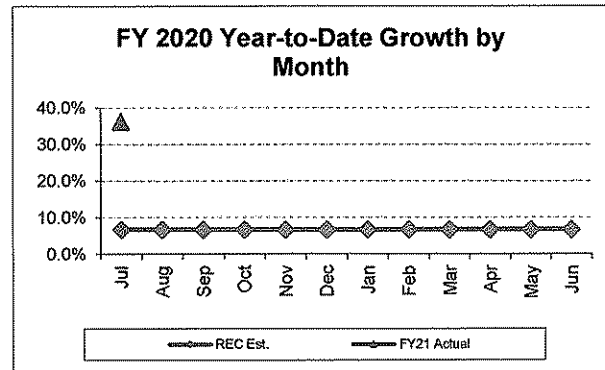
DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: August 4, 2020
TO: The Honorable Kim Reynolds
The Honorable Adam Gregg
FROM: David Roederer, Director 
Department of Management
RE: July 2020 General Fund Receipts

Gross General Fund receipts for July 2020 totaled \$1,041.3 million, an increase of \$277.4 million or 36.3 percent over the same period last year. The estimate for FY2021 is 6.7 percent.

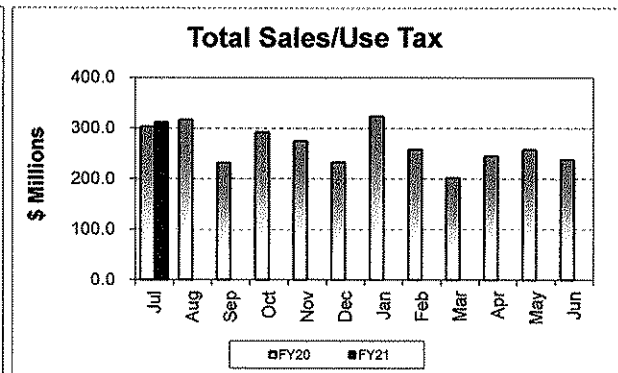
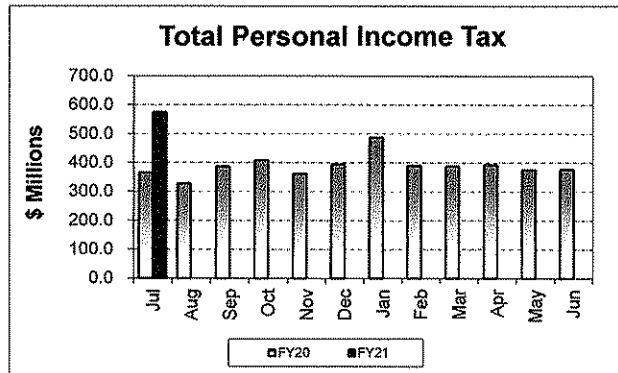
Summary

Fiscal year-to-date gross receipts on a cash basis are 36.3 percent more compared to July 2020. July receipts are heavily impacted by the filing date changes for individual and corporate income tax returns from April 30 to July 30, 2020. The current estimate for Fiscal Year 2021 is a growth rate of 6.7 percent for gross receipts.



Personal Income Tax

Personal income tax receipts totaled \$574.0 million during July 2020. This is \$209.3 million or 57.4 percent more than the receipts of July 2019. Withholding tax receipts increased \$16.7 million or 5.4 percent compared to last year. Estimated payments increased \$15.2 million compared to last year. Final return payments increased \$177.4 million. All of the increase in final return payments can be attributed to the filing date changes for individual income tax returns from April 30 to July 30, 2020. The estimate for personal income tax for Fiscal Year 2020 is for an increase of 10.5 percent.

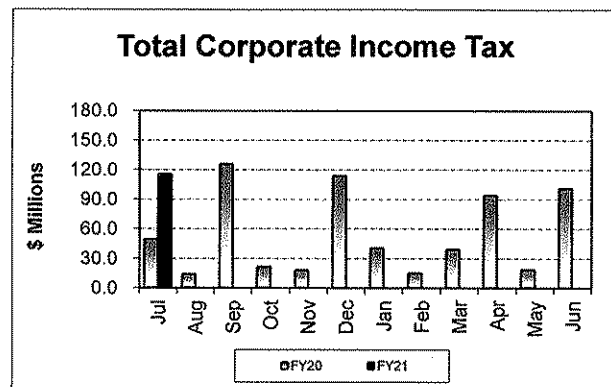


Sales/Use Tax

July sales/use tax receipts totaled \$312.0 million, which represents an increase of \$9.1 million or 3.0 percent over July 2018. The estimate for sales/use tax for Fiscal Year 2021 is for no increase over Fiscal Year 2020.

Corporate Income Tax

Corporate income tax receipts during July totaled \$115.0 million, which is \$66.0 million or 134.7 percent more than in July 2019. All of the increase in corporate income tax receipts can be attributed to the filing date changes for corporate income tax returns from April 30 to July 30, 2020. The estimate for corporate income tax for Fiscal Year 2021 is for an increase of 15.4 percent for FY2020.



Refunds

For the month of July, the Department of Revenue issued \$61.5 million in refunds on a cash basis. This compares to \$32.8 million issued July 2019.

FY 2020 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 decreased 3.2 percent, which is below the REC estimate of 1.0 percent. However, with the change in filing dates from April 30 to July 30, 2020 for individual and corporate income tax returns, it is anticipated when accrual adjustments are made, actual amounts will more closely match the estimates. We will update this table monthly until the State's books are closed at the end of September 2020.

Net General Fund Receipts

Accrual Basis

Through July 31, 2020

	<u>FY19</u>	<u>FY20</u>	<u>Variance</u>	<u>Percent</u>	<u>Adjusted Estimate</u>
Total Gross Receipts	8,659.6	8,417.8	(241.8)	-2.8%	0.7%
Transfers	101.4	97.8	(3.6)	-3.6%	-16.3%
Refunds	(1,081.8)	(1,057.9)	23.9	-2.2%	-4.1%
School Infrastructure Transfer	(503.5)	(513.9)	(10.4)	2.1%	1.6%
Net General Fund Revenues compared to REC	<u>7,175.7</u>	<u>6,943.8</u>	<u>(231.9)</u>	-3.2%	1.0%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE ONE MONTH ENDING JULY 31, 2020
(\$ MILLIONS)**

CASH BASIS

	MONTH OF JULY		FY21 Over (Under) FY20 Over (Under)		FY21 Annual Est Percent Of Growth
	FY20	FY21	Dollars	Percent	
Personal Income Tax	\$364.7	\$574.0	\$209.3	57.4%	10.5%
Sales/Use Tax	302.9	312.0	9.1	3.0%	0.0%
Corporate Income Tax	49.0	115.0	66.0	134.7%	15.4%
Inheritance Tax	6.5	5.1	(1.4)	-21.5%	6.7%
Insurance Premium Tax	2.9	2.7	(0.2)	-6.9%	6.1%
Beer Tax	1.3	0.5	(0.8)	-61.5%	31.6%
Franchise Tax	8.0	7.4	(0.6)	-7.5%	8.0%
Miscellaneous Tax	2.9	2.8	(0.1)	0.0%	-18.1%
Total Special Taxes	\$738.2	\$1,019.5	\$281.3	38.1%	6.9%
Institutional Payments	1.2	0.5	(0.7)	-58.3%	-11.1%
Liquor Transfers:	11.5	13.1	1.6	13.9%	-2.1%
Interest	0.4	0.3	(0.1)	-25.0%	1.3%
Fees	3.0	2.1	(0.9)	-30.0%	8.5%
Judicial Revenue	4.1	2.5	(1.6)	-39.0%	5.5%
Miscellaneous Receipts	5.5	3.3	(2.2)	-40.0%	2.0%
Gaming Revenues	0.0	0.0	0.0	0.0%	0.0%
Total Gross Tax and Other Receipts	\$763.9	\$1,041.3	\$277.4	36.3%	6.7%
Transfers	\$23.5	\$24.5	\$1.0		
Total Gross Tax and Other Rcpts & Transfers	\$787.4	\$1,065.8	\$278.4		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$44.2)	(\$47.5)	(\$3.3)		
Refunds	(32.8)	(61.5)	(28.7)		
Total Reductions in GF Receipts	(\$77.0)	(\$109.0)	(\$32.0)		

Iowa Department of Management
August 4, 2020