




STATE OF IOWA

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

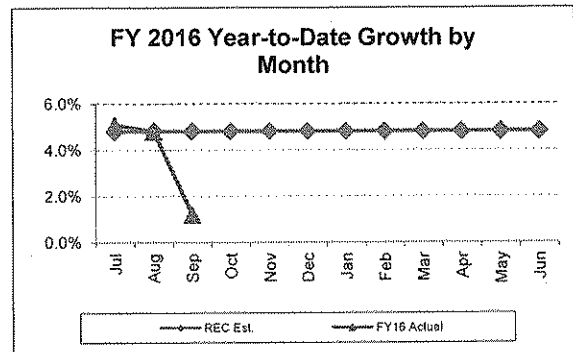
DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: October 2, 2015
TO: The Honorable Terry E Branstad
The Honorable Kim Reynolds
FROM: David Roederer, Director 
Department of Management
RE: September 2015 General Fund Receipts

Gross General Fund receipts for September 2015 totaled \$600.3 million, a decrease of 5.7 percent over the same period last year. Fiscal year-to-date, gross General Fund receipts totaled \$1,888.2 million or 1.2%. The current estimate for FY2016 is 4.8 percent.

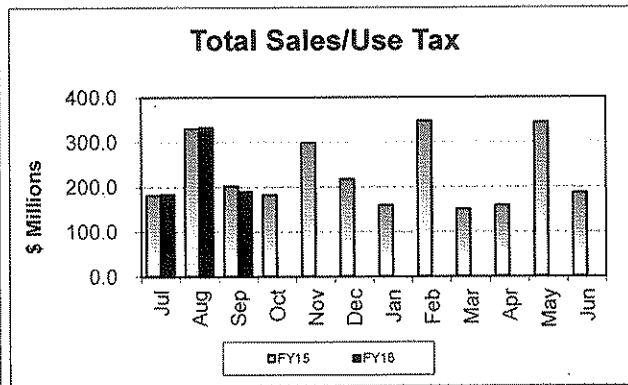
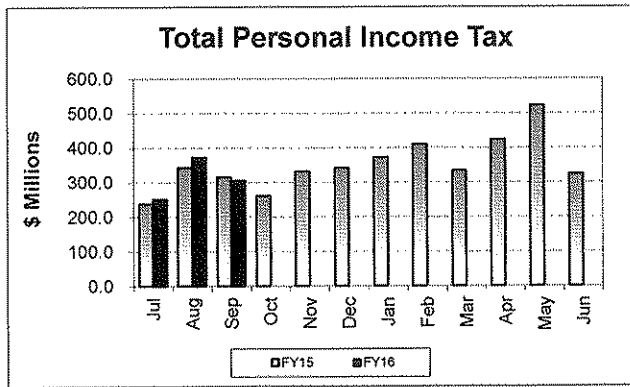
Summary

Fiscal year-to-date gross receipts are 1.2 percent higher compared to September 2014. The current estimate for FY2015 is a growth rate of 4.8 percent for gross receipts and will be reviewed when the Revenue Estimating Conference meets October 13.



Personal Income Tax

Personal income tax receipts totaled \$305.9 million during September 2015. This is \$9.2 million or 2.9 percent less than the receipts of September 2014. Withholding tax receipts increased \$1.3 million or 0.6 percent compared to last year. Estimated payments were \$10.2 million less than September 2014. Third quarter estimate payments were due September 30. During the month, the number of estimate payments processed decreased 24.8 percent over last year, while the average payment was up 6.0 percent. A two month analysis of quarterly estimate payments will be presented next month. Final return payments decreased \$0.3 million. Fiscal year-to-date, personal income tax receipts totaled \$929.4 million, an increase of 4.0 percent. The current estimate for personal income tax for Fiscal Year 2016 is for an increase of 6.8 percent.

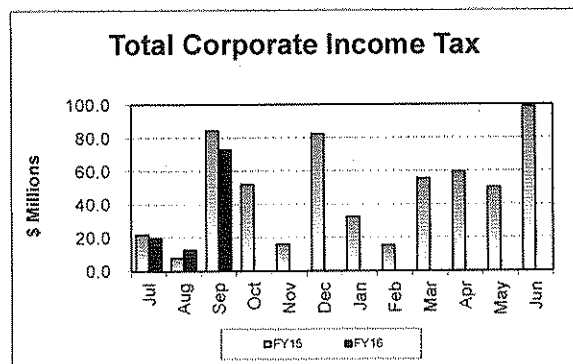


Sales/Use Tax

September sales/use tax receipts totaled \$189.8 million, which represents a decrease of \$11.5 million or 5.7 percent over September 2014. This year, a hold back of \$6.2 million for fourth quarter Flood Mitigation transfer occurred. No hold back was done last year at the inception of the program. Fiscal year-to-date, sales/use tax receipts totaled \$706.1 million, a decrease of 0.6 percent. The current estimate for sales/use tax for Fiscal Year 2015 is for an increase of 5.0 percent.

Corporate Income Tax

Corporate income tax receipts during September totaled \$72.9 million, which is \$11.3 million or 13.4 percent less than in September 2014. Fiscal year-to-date corporate income tax receipts totaled \$105.1 million, a decrease of 7.7 percent. The REC's estimate for corporate income tax for Fiscal Year 2015 is for a decrease of 2.8 percent.



Refunds

For the month of September, the Department of Revenue issued \$25.0 million in refunds on a cash basis. This compares to \$223 million issued September 2014. For the fiscal year-to-date, total refunds issued on a cash basis were \$82.8 million. This compares to \$73.2 million issued at this time last year.

FY 2015 Year-to-Date Net General Fund Receipts on an Accrual Basis

As can be seen from the chart below, FY2015 net General Fund receipts ended on an accrual basis by increasing 5.1 percent, which is more than the REC's estimate of 4.3 percent.

Net General Fund Receipts

Accrual Basis

Through September 30, 2015

	<u>FY14</u>	<u>FY15</u>	<u>Variance</u>	<u>Percent</u>	<u>REC Estimate</u>
Total Gross Receipts	7,695.8	8,110.5	414.7	5.4%	4.4%
Transfers	188.9	127.6	(61.3)	-32.5%	-34.4%
Refunds	(955.3)	(967.9)	(12.6)	1.3%	-1.9%
School Infrastructure Transfer	(440.4)	(450.5)	(10.1)	2.3%	2.3%
Net General Fund Revenues	<u>6,489.0</u>	<u>6,819.7</u>	<u>330.7</u>	5.1%	4.3%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING SEPTEMBER 30, 2015
(\$ MILLIONS)**

CASH BASIS

	MONTH		FY16 Over (Under)		FY16 Annual Est Percent Of Growth
	OF SEPTEMBER		FY15		
	FY15	FY16	Dollars	Percent	
Personal Income Tax	\$315.1	\$305.9	(\$9.2)	-2.9%	6.8%
Sales/Use Tax	201.3	189.8	(11.5)	-5.7%	5.0%
Corporate Income Tax	84.2	72.9	(11.3)	-13.4%	-2.8%
Inheritance Tax	8.2	5.8	(2.4)	-29.3%	9.9%
Insurance Premium Tax	0.0	0.0	0.0	0.0%	-1.7%
Cigarette Tax	0.0	0.0	0.0	0.0%	0.0%
Tobacco Tax	0.0	0.0	0.0	0.0%	0.0%
Beer Tax	1.4	1.3	(0.1)	-7.1%	0.0%
Franchise Tax	7.5	5.8	(1.7)	-22.7%	-10.9%
Miscellaneous Tax	0.0	0.0	0.0	0.0%	-14.3%
Total Special Taxes	\$617.7	\$581.5	(\$36.2)	-5.9%	5.3%
Institutional Payments	1.4	1.1	(0.3)	-21.4%	-49.7%
Liquor Transfers:	7.5	9.3	1.8	24.0%	-8.9%
Interest	0.1	0.2	0.1	100.0%	-8.1%
Fees	1.9	2.0	0.1	5.3%	-2.2%
Judicial Revenue	5.9	4.3	(1.6)	-27.1%	0.1%
Miscellaneous Receipts	2.1	1.9	(0.2)	-9.5%	-0.8%
Racing and Gaming	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	\$636.6	\$600.3	(\$36.3)	-5.7%	4.8%
Transfers	\$1.0	\$12.9	\$11.9		
Total Rcpts & Transfers	\$637.6	\$613.2	(\$24.4)		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$58.6)	(\$46.3)	\$12.3		
Refunds	(\$22.3)	(\$25.0)	(\$2.7)		
Total Reductions in GF Receipts	(\$80.9)	(\$71.3)	\$9.6		

Iowa Department of Management
October 2, 2015

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE THREE MONTHS ENDING SEPTEMBER 30, 2015
(\$ MILLIONS)**

CASH BASIS

	THREE MONTHS THROUGH SEPTEMBER		FY16 Over (Under) FY15		FY16 Annual Est Percent Of Growth
	FY15	FY16	Dollars	Percent	
Personal Income Tax	\$893.6	\$929.4	\$35.8	4.0%	6.8%
Sales/Use Tax	710.7	706.1	(4.6)	-0.6%	5.0%
Corporate Income Tax	113.9	105.1	(8.8)	-7.7%	-2.8%
Inheritance Tax	22.2	22.4	0.2	0.9%	9.9%
Insurance Premium Tax	51.4	52.3	0.9	1.8%	-1.7%
Cigarette Tax	0.0	0.0	0.0	0.0%	0.0%
Tobacco Tax	0.0	0.0	0.0	0.0%	0.0%
Beer Tax	4.1	4.1	0.0	0.0%	0.0%
Franchise Tax	10.2	9.0	(1.2)	-11.8%	-10.9%
Miscellaneous Tax	0.1	0.0	(0.1)	0.0%	-14.3%
Total Special Taxes	\$1,806.2	\$1,828.4	\$22.2	1.2%	5.3%
Institutional Payments	4.7	4.0	(0.7)	-14.9%	-49.7%
Liquor Transfers:	25.8	27.4	1.6	6.2%	-8.9%
Interest	0.6	0.8	0.2	33.3%	-8.1%
Fees	7.2	6.5	(0.7)	-9.7%	-2.2%
Judicial Revenue	14.2	14.0	(0.2)	-1.4%	0.1%
Miscellaneous Receipts	6.5	7.1	0.6	9.2%	-0.8%
Racing and Gaming	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	\$1,865.2	\$1,888.2	\$23.0	1.2%	4.8%
Transfers	\$39.0	\$32.0	(\$7.0)		
Total Rcpts & Transfers	\$1,904.2	\$1,920.2	\$16.0		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$126.7)	(\$124.7)	\$2.0		
Refunds	(73.2)	(82.8)	(9.6)		
Total Reductions in GF Receipts	(\$199.9)	(\$207.5)	(\$7.6)		

Iowa Department of Management
October 2, 2015