



STATE OF IOWA

THOMAS J. VILSACK, GOVERNOR
SALLY J. PEDERSON, LT. GOVERNOR

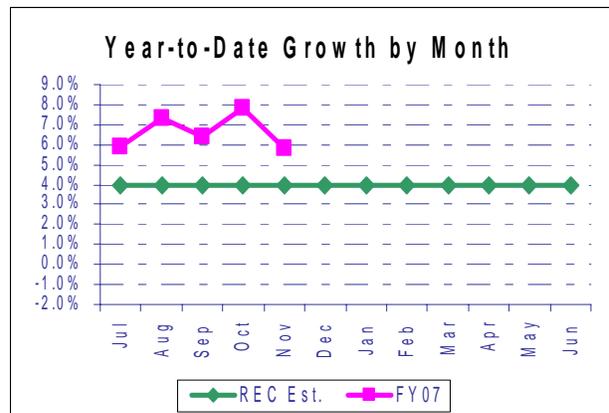
DEPARTMENT OF MANAGEMENT
MICHAEL TRAMONTINA, DIRECTOR

DATE: December 4, 2006
TO: The Honorable Thomas J. Vilsack
The Honorable Sally J. Pederson
FROM: Mike Tramontina, Director *Michael L. Tramontina*
Department of Management
RE: November 2006 General Fund Receipts

General fund receipts for November totaled \$486.4 million, which is \$4.9 million or 1.0 percent less than was collected during November 2005. November 2006 had 19 processing days as did November 2005. Fiscal year-to-date, general fund receipts totaled \$2,352.9 million, an increase of 5.8 percent over receipts for the same period last year. The official estimated rate of annual growth is 4.0 percent.

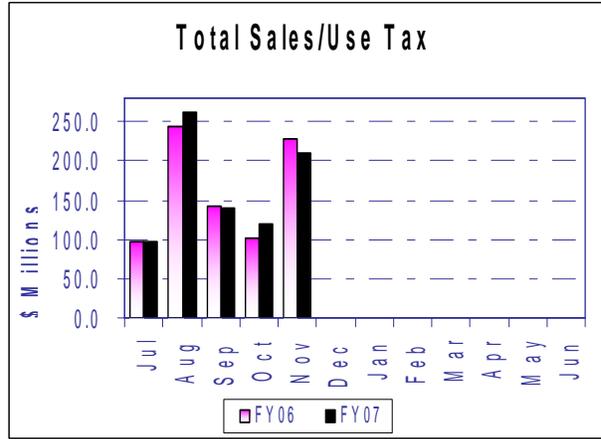
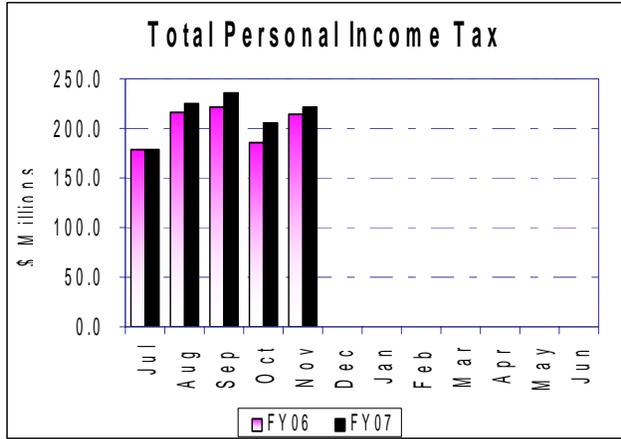
Summary

Solid growth in corporate income and personal income tax, backed by growth in tobacco and franchise tax, helped year-to-date growth post a 5.8% rate. The official estimate rate of growth is currently at 4.0 percent.



Personal Income Tax

Personal income tax receipts totaled \$221.5 million during November. This represents \$6.4 million or 3.0 percent more than the receipts of November 2005. Withholding tax receipts increased \$5.6 million or 2.7 percent compared to last year. Estimated payments increased by \$0.8 million. Final return payments increased by \$0.7 million. Fiscal year-to-date, personal income tax receipts totaled \$1,066.6 million, an increase of 4.7 percent. Personal income tax receipts were estimated to grow by 4.7 percent for the year.

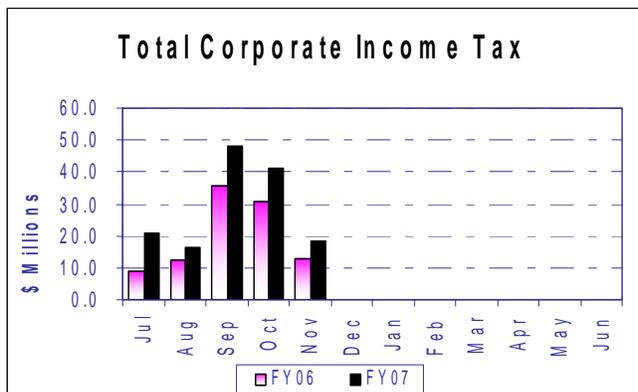


Sales/Use Tax

November sales/use tax receipts totaled \$210.1 million, which represents a decrease of \$17.3 million or 7.6 percent compared to November 2005. Receipts were effected by approximately \$14.5 million increase in final reconciliations of local sales tax transferred from the General Fund to the local option sales tax fund for fiscal year 2006. For the fiscal year, sales/use tax receipts are \$828.6 million, representing an increase of 1.8%. The annual estimated rate of sales/use tax growth was 3.7 percent.

Corporate Income Tax

Corporate income tax receipts during November totaled \$18.2 million, which is \$5.1 million or 38.9 percent more than in November 2005. For the fiscal year, corporate income tax receipts totaled \$144.7 million or 43.7% more than last year. Corporate income tax receipts were estimated to increase at a rate of 16.3 percent.



**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING NOVEMBER 30, 2006
(\$ MILLIONS)**

CASH BASIS

	MONTH OF NOVEMBER		FY07 Over (Under) FY06		FY07 Annual Est Percent Of Growth
	FY06	FY07	Dollars	Percent	
Personal Income Tax	\$215.1	\$221.5	\$6.4	3.0%	4.7%
Sales/Use Tax	227.4	210.1	(17.3)	-7.6%	3.7%
Corporate Income Tax	13.1	18.2	5.1	38.9%	16.3%
Inheritance Tax	6.4	5.5	(0.9)	-14.1%	0.0%
Insurance Premium Tax	0.2	0.1	(0.1)	-50.0%	-9.4%
Cigarette Tax	7.5	6.9	(0.6)	-8.0%	2.0%
Tobacco Tax	0.8	0.9	0.1	12.5%	2.2%
Beer Tax	1.1	1.1	0.0	0.0%	1.4%
Franchise Tax	0.3	0.4	0.1	33.3%	-3.1%
Miscellaneous Tax	0.9	0.1	(0.8)	-88.9%	66.7%
Total Special Taxes	\$472.8	\$464.8	(\$8.0)	-1.7%	4.6%
Institutional Payments	1.3	0.8	(0.5)	-38.5%	0.0%
Liquor Transfers:	4.2	4.3	0.1	2.4%	3.1%
Interest	2.3	3.9	1.6	69.6%	5.7%
Fees	4.1	5.1	1.0	24.4%	-9.3%
Judicial Revenue	4.2	5.4	1.2	28.6%	1.9%
Miscellaneous Receipts	2.4	2.1	(0.3)	-12.5%	-30.8%
Racing and Gaming	0.0	0.0	0.0	N/A	0.0%
Total Receipts	\$491.3	\$486.4	(\$4.9)	-1.0%	4.0%
Transfers	\$0.1	\$0.2	\$0.1		
Total Rcpts & Transfers	\$491.4	\$486.6	(\$4.8)		

Iowa Department of Management
December 4, 2006

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE FIVE MONTHS ENDING NOVEMBER 30, 2006
(\$ MILLIONS)**

CASH BASIS

	FIVE MONTHS THROUGH NOVEMBER		FY07 Over (Under) FY06		FY07 Annual Est Percent Of Growth
	FY06	FY07	Dollars	Percent	
Personal Income Tax	\$1,018.4	\$1,066.6	\$48.2	4.7%	4.7%
Sales/Use Tax	813.7	828.6	14.9	1.8%	3.7%
Corporate Income Tax	100.7	144.7	44.0	43.7%	16.3%
Inheritance Tax	31.1	31.0	(0.1)	-0.3%	0.0%
Insurance Premium Tax	49.0	61.1	12.1	24.7%	-9.4%
Cigarette Tax	38.0	37.3	(0.7)	-1.8%	2.0%
Tobacco Tax	3.8	4.0	0.2	5.3%	2.2%
Beer Tax	6.4	6.4	0.0	0.0%	1.4%
Franchise Tax	10.8	9.8	(1.0)	-9.3%	-3.1%
Miscellaneous Tax	0.9	0.3	(0.6)	0.0%	66.7%
Total Special Taxes	\$2,072.8	\$2,189.8	\$117.0	5.6%	4.6%
Institutional Payments	5.6	5.1	(0.5)	-8.9%	0.0%
Liquor Transfers:	20.5	21.6	1.1	5.4%	3.1%
Interest	6.6	12.5	5.9	89.4%	5.7%
Fees	24.9	30.4	5.5	22.1%	-9.3%
Judicial Revenue	18.0	23.3	5.3	29.4%	1.9%
Miscellaneous Receipts	14.6	11.2	(3.4)	-23.3%	-30.8%
Racing and Gaming	60.0	59.0	(1.0)	-1.7%	0.0%
Total Receipts	\$2,223.0	\$2,352.9	\$129.9	5.8%	4.0%
Transfers	\$37.8	\$37.3	(\$0.5)		
Total Rcpts & Transfers	\$2,260.8	\$2,390.2	\$129.4		

Iowa Department of Management
December 4, 2006

Iowa Economic Snapshot November 2006

Iowa Workforce Development

Iowa's Unemployment Rate 3.6%

The statewide labor force declined slightly going from 1,702,000 in September to 1,700,700 in October. This was due to the slowed pace of hiring across most industry sectors for the month. Despite the decrease in the labor force, the state's seasonally adjusted unemployment rate inched upwards to 3.6% from an September rate of 3.4%. The jobless rate stood at 4.5% one year ago. However, most indicators continue to show signs of a vibrant economy.

Iowa's Nonfarm Employment 1,511,800

The state economy showed signs of a brief pause in November. The total number of working Iowans was reported at 1,640,100 in October; 4,100 less than in September. The current level is 49,500 higher than the October 2005 level of 1,590,500.

Iowa's nonfarm employment (i.e., total private non-farm excluding government) totaled 1,511,800 in October. This number represents a loss of 3,900 jobs from the September figure and 25,700 more jobs than in October 2005. The loss in October followed a huge gain of 5,800 new jobs in September. This is the third time this year that nonfarm employment has declined following a month of substantial growth. Most nonfarm sectors were down during October except for other services and construction. The sectors that led the decline include leisure and hospitality, government,

manufacturing, education and health services and information.

- 34.4 Average Weekly Hours
- \$15.18 Average Hourly Earnings

Iowa's Manufacturing Employment 234,800

In October 2006, manufacturing employment stood at 234,800, down from the September figure of 235,400.

Workers in manufacturing earned \$712.19 a week in October 2006.

- Working 43.8 Average Weekly Hours
- \$16.26 Average Hourly Earnings

Iowa's Unemployment Benefit Payments \$18.3 million

Iowa jobless benefits payments for October 2006 totaled \$18.3 million for 23,485 claimants. This represents a decrease of \$0.3 million from the September figure of \$18.6 million for 23,724 jobless Iowans. A small drop in manufacturing claims accounted for most of the decline. One year ago, payments totaled \$16.6 million for 22,854 claimants.

- 5,231 First Payments

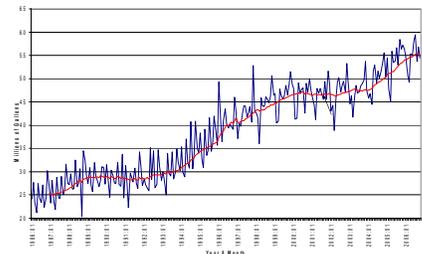
Iowa Department of Revenue

Diesel Fuel Consumption

Diesel fuel consumption during October 2006 in Iowa for transportation purposes decreased by 1.850 million gallons (3.29%) compared to the same month last year. Diesel fuel consumption has decreased the past two months. This month's level of diesel fuel consumption totaled 55.030 million gallons on a 12-month moving average basis. Prior to the 2001

recession, diesel fuel consumption peaked at 47.189 million gallons, so diesel fuel consumption is now 17.49% over the last pre-recession peak. Since January 2006 diesel fuel consumption has only increased by 1.87%. In comparison, during all of 2005 diesel fuel consumption increased by 5.93%.

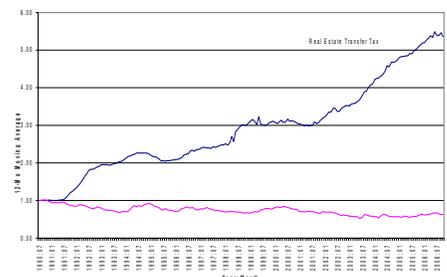
Monthly Diesel Fuel Consumption



Real Estate Transfer Tax

During October 2006 real estate transfer tax collections decreased by 23.24% compared to October 2005. Real estate transfer tax receipts have decreased four of the past six months. During October the interest rate for 30-year conventional mortgages nationally averaged 6.36%, which was down 0.04% from September, and still 0.71% below the December 2001 peak of 7.07%.

Real Estate Transfer Tax
Indexed Values (1990:07 = 1.00)





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