




CHESTER J. CULVER, GOVERNOR  
PATTY JUDGE, LT. GOVERNOR

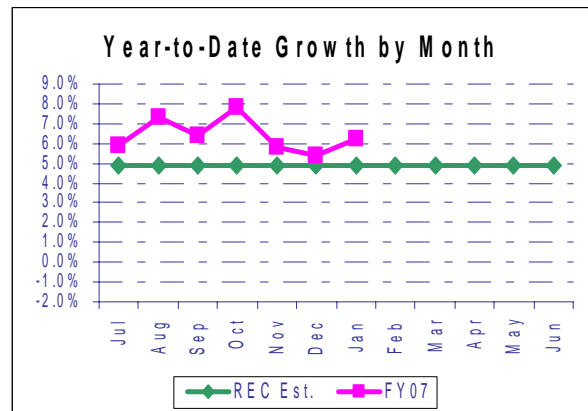
DEPARTMENT OF MANAGEMENT  
CHARLES J. KROGMEIER, DIRECTOR

DATE: February 2, 2007  
TO: The Honorable Chester J. Culver  
The Honorable Patty Judge  
FROM: Charles J. Krogmeier, Director   
Department of Management  
RE: January 2007 General Fund Receipts

General fund receipts for January totaled \$512.7 million, which is \$50.9 million or 11.0 percent more than was collected during January 2006. January 2007 had 21 processing days as compared to 20 processing days in January 2006. Fiscal year-to-date, general fund receipts totaled \$3,317.0 million, an increase of 6.2 percent over receipts for the same period last year. The official estimated rate of annual growth is 4.9 percent.

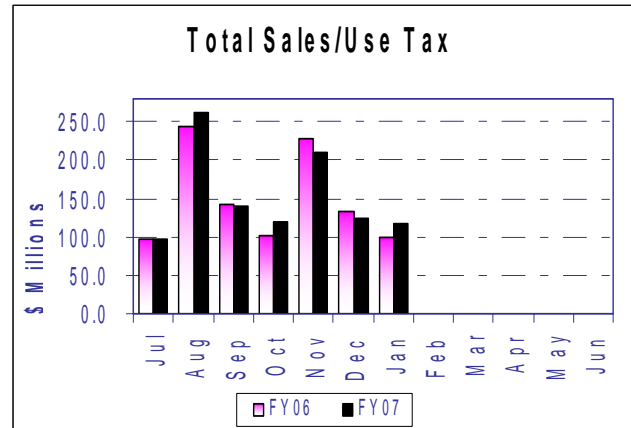
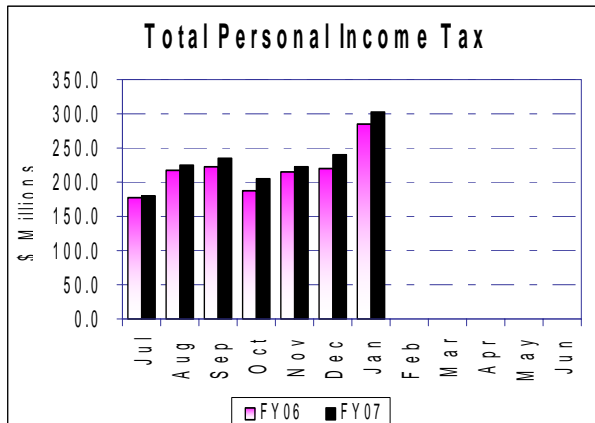
### Summary

**Continued solid growth in corporate income, backed by growth in personal income, inheritance and insurance premium tax, coupled with slight growth in sales/use tax helped year-to-date growth post a 6.2% rate. The official estimate rate of growth is currently at 4.9 percent.**



### Personal Income Tax

Personal income tax receipts totaled \$303.5 million during January. This represents \$17.8 million or 6.2 percent more than the receipts of January 2006. Withholding tax receipts decreased \$6.1 million or 3.3 percent compared to last year. Most of the decrease in withholding can be attributed to withholding on a large lottery prize won last year. Estimated payments increased by \$20.2 million. Final return payment decreased by \$3.8 million. The decrease in final return payment is attributed to an increase in the accounts receivable transfer. Fiscal year-to-date, personal income tax receipts totaled \$1,610.2 million, an increase of 5.7 percent. Personal income tax receipts were estimated to grow by 6.1 percent for the year.

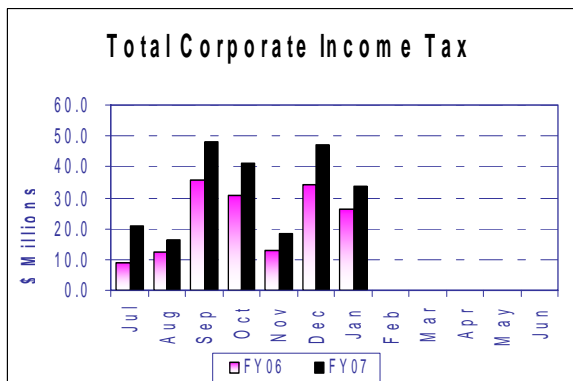


Sales/Use Tax

January sales/use tax receipts totaled \$117.5 million, which represents an increase of \$18.2 million or 18.3 percent compared to January 2006. Receipts were effected by changes in adjustments for increases in regular and school local option disbursements and increase in transfers from accounts receivable collections. For the fiscal year, sales/use tax receipts are \$1,070.8 million, representing an increase of 2.4%. The annual estimated rate of sales/use tax growth was 2.7 percent.

Corporate Income Tax

Corporate income tax receipts during January totaled \$33.6 million, which is \$7.5 million or 28.7 percent more than in January 2006. For the fiscal year, corporate income tax receipts totaled \$225.2 million or 39.9% more than last year. Corporate income tax receipts were estimated to increase at a rate of 24.3 percent.



**STATE OF IOWA**  
**GENERAL FUND RECEIPTS STATEMENT**  
**FOR THE MONTH ENDING JANUARY 31, 2007**  
**(\$ MILLIONS)**

**CASH BASIS**

	MONTH OF JANUARY		FY07 Over (Under) FY06		FY07 Annual Est Percent Of Growth
	FY06	FY07	Dollars	Percent	
Personal Income Tax	\$285.7	\$303.5	\$17.8	6.2%	6.1%
Sales/Use Tax	99.3	117.5	18.2	18.3%	2.7%
Corporate Income Tax	26.1	33.6	7.5	28.7%	24.3%
Inheritance Tax	7.3	10.0	2.7	37.0%	1.8%
Insurance Premium Tax	0.2	0.0	(0.2)	N/A	-9.4%
Cigarette Tax	6.9	8.1	1.2	17.4%	0.0%
Tobacco Tax	0.7	1.1	0.4	57.1%	5.4%
Beer Tax	1.2	1.2	0.0	0.0%	2.1%
Franchise Tax	3.1	5.0	1.9	61.3%	-5.9%
Miscellaneous Tax	(0.3)	0.1	0.4	-133.3%	66.7%
<b>Total Special Taxes</b>	<b>\$430.2</b>	<b>\$480.1</b>	<b>\$49.9</b>	<b>11.6%</b>	<b>5.5%</b>
Institutional Payments	0.9	0.8	(0.1)	-11.1%	-3.1%
Liquor Transfers:	5.3	7.3	2.0	37.7%	3.1%
Interest	1.7	3.1	1.4	82.4%	33.1%
Fees	12.5	14.2	1.7	13.6%	-9.3%
Judicial Revenue	6.4	5.1	(1.3)	-20.3%	1.9%
Miscellaneous Receipts	4.8	2.1	(2.7)	-56.3%	-28.0%
Racing and Gaming	0.0	0.0	0.0	N/A	0.0%
<b>Total Receipts</b>	<b>\$461.8</b>	<b>\$512.7</b>	<b>\$50.9</b>	<b>11.0%</b>	<b>4.9%</b>
Transfers	\$22.2	\$13.9	(\$8.3)		
<b>Total Rcpts &amp; Transfers</b>	<b>\$484.0</b>	<b>\$526.6</b>	<b>\$42.6</b>		

Iowa Department of Management  
February 2, 2007

**STATE OF IOWA  
GENERAL FUND RECEIPTS STATEMENT  
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2007  
(\$ MILLIONS)**

**CASH BASIS**

	FIVE MONTHS THROUGH JANUARY		FY07 Over (Under) FY06		FY07 Annual Est Percent Of Growth
	FY06	FY07	Dollars	Percent	
Personal Income Tax	\$1,524.0	\$1,610.2	\$86.2	5.7%	6.1%
Sales/Use Tax	1,045.7	1,070.8	25.1	2.4%	2.7%
Corporate Income Tax	161.0	225.2	64.2	39.9%	24.3%
Inheritance Tax	43.5	46.3	2.8	6.4%	1.8%
Insurance Premium Tax	49.2	61.4	12.2	24.8%	-9.4%
Cigarette Tax	52.0	52.4	0.4	0.8%	0.0%
Tobacco Tax	5.2	5.3	0.1	1.9%	5.4%
Beer Tax	8.7	8.7	0.0	0.0%	2.1%
Franchise Tax	18.4	18.8	0.4	2.2%	-5.9%
Miscellaneous Tax	0.2	0.5	0.3	0.0%	66.7%
<b>Total Special Taxes</b>	<b>\$2,907.9</b>	<b>\$3,099.6</b>	<b>\$191.7</b>	<b>6.6%</b>	<b>5.5%</b>
Institutional Payments	7.2	6.7	(0.5)	-6.9%	-3.1%
Liquor Transfers:	31.5	34.7	3.2	10.2%	3.1%
Interest	10.2	18.2	8.0	78.4%	33.1%
Fees	44.2	50.3	6.1	13.8%	-9.3%
Judicial Revenue	29.2	33.5	4.3	14.7%	1.9%
Miscellaneous Receipts	31.7	15.0	(16.7)	-52.7%	-28.0%
Racing and Gaming	60.0	59.0	(1.0)	-1.7%	0.0%
<b>Total Receipts</b>	<b>\$3,121.9</b>	<b>\$3,317.0</b>	<b>\$195.1</b>	<b>6.2%</b>	<b>4.9%</b>
Transfers	\$60.1	\$51.3	(\$8.8)		
<b>Total Rcpts &amp; Transfers</b>	<b>\$3,182.0</b>	<b>\$3,368.3</b>	<b>\$186.3</b>		

Iowa Department of Management  
February 2, 2007

## Iowa Economic Snapshot January 2007

### Iowa Workforce Development

#### Iowa's Unemployment Rate 3.5%

The statewide labor force was virtually unchanged going from 1,697,900 in November to 1,697,800 in December. This was due to the slowed pace of hiring across most industry sectors for the month. The trend in the labor force, helped the state's seasonally adjusted unemployment rate inch up to 3.5% from a November rate of 3.4%. The jobless rate stood at 4.5% one year ago. There is little evidence to suggest that the strong growth trend will be interrupted in the months ahead.

#### Iowa's Nonfarm Employment 1,520,200

Iowa's nonfarm employment (i.e., total private non-farm excluding government) totaled 1,520,200 in December. This number represents a gain of 3,600 jobs from the November figure and 24,500 more jobs than in December 2005. The November 2006 figure represents a new all-time high for the state. Leading the job growth are the following sectors: manufacturing with 1,300 additional jobs, trade and transportation with 1,100 additional jobs, financial activities with 700 additional jobs, and education and health services with 600 additional jobs.

- 34.6 Average Weekly Hours
- \$15.35 Average Hourly Earnings

#### Iowa's Manufacturing Employment 236,600

In December 2006, manufacturing employment stood at 236,600, up from the November figure of 235,300.

Workers in manufacturing earned \$817.15 a week in December 2006.

- Working 45.6 Average Weekly Hours
- \$17.92 Average Hourly Earnings

#### Iowa's Unemployment Benefit Payments \$29.5 million

Iowa jobless benefits payments for December 2006 totaled \$29.5 million for 36,856 claimants. This represents an increase of \$4.4 million from the November figure of \$25.1 million for 29,252 jobless Iowans. Seasonal layoffs in construction accounted for most of the increase in unemployment claims. One year ago, payments totaled \$29.2 million for 37,415 claimants.

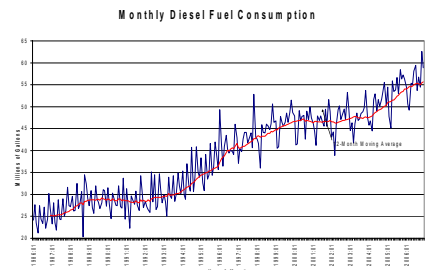
- 10,881 First Payments

### Iowa Department of Revenue

#### Diesel Fuel Consumption

Diesel fuel consumption during December 2006 in Iowa for transportation purposes increased by 2.593 million gallons (4.61%) compared to the same month last year. Diesel fuel consumption has increased the past two months after decreasing during September and October. This month's level of diesel fuel consumption totaled

55.695 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 18.91% over the last pre-recession peak.



### Real Estate Transfer Tax

During December 2006 real estate transfer tax collections decreased by 1.13% compared to December 2005. Real estate transfer tax receipts have decreased five of the past six months, but this month's decrease is very modest compared to the other decreases. During December the interest rate for 30-year conventional mortgages nationally averaged 6.14%, which was down 0.10% from November, and still 0.93% below the December 2001 peak of 7.07%, and 0.01% below December 2005.

