

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

DEPARTMENT OF MANAGEMENT
 CHARLES J. KROGMEIER, DIRECTOR

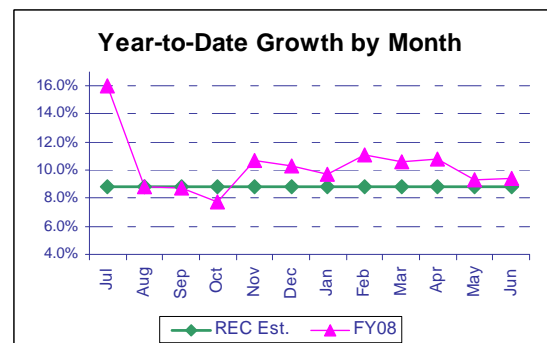
DATE: July 3, 2008
 TO: The Honorable Chester J. Culver
 The Honorable Patty Judge
 FROM: Charles J. Krogmeier, Director
 Department of Management
 RE: June 2008 General Fund Receipts



General Fund receipts for June totaled \$577.0 million, which is \$57.1 million or 11.0 percent more than was collected during June 2007. Fiscal year-to-date, General Fund receipts totaled \$6,718.3 million, an increase of 9.4 percent over the same period last year. The Revenue Estimating Conference official estimated rate of annual growth is 8.8 percent for Fiscal Year 2008. It is important to note that these figures are on a cash basis and do not include any adjustments for tax refunds or accruals, which could reduce available revenue.

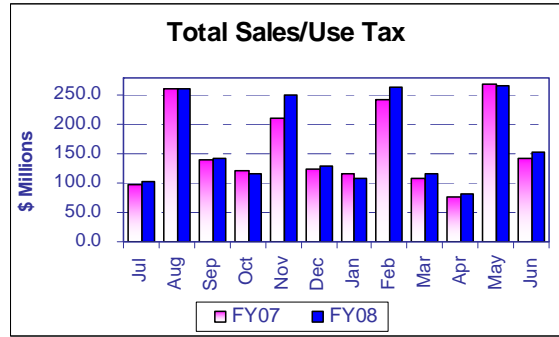
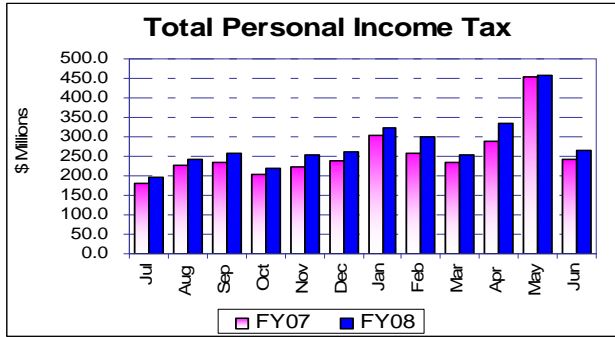
Summary

Overall, General Fund growth ended the year at 9.4 percent, above the estimate of 8.8 for the fiscal year on a cash basis. Personal income and corporate income tax ended the fiscal year above estimates, with sales/use tax coming in at the estimate. It is important to note that these figures do not represent the final numbers for Fiscal Year 2008 due to adjustments for accruals and final tax refunds that are to be finalized in the coming months.



Personal Income Tax

Personal income tax receipts totaled \$264.6 million during June. This represents \$22.2 million or 9.2 percent more than the receipts of June 2007. Withholding tax receipts increased \$9.8 million or 5.1 percent compared to last year. Estimated payments increased by \$6.0 million or 11.2 percent. Final return payment increased by \$6.3 million. Fiscal year-to-date, personal income tax receipts totaled \$3,359.7 million, an increase of 8.9 percent. Personal income tax receipts were estimated to grow by 8.4 percent for the year.

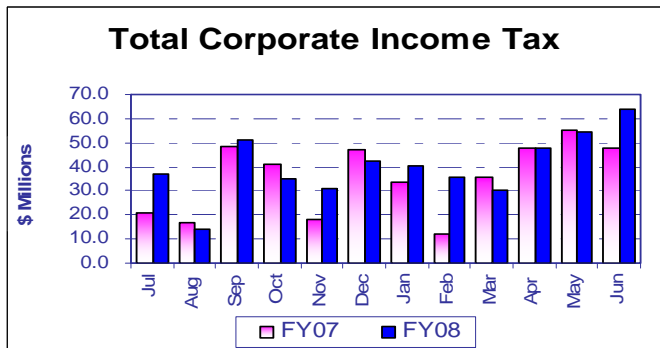


Sales/Use Tax

June sales/use tax receipts totaled \$154.5 million, which represents an increase of \$12.9 million or 9.1 percent compared to June 2007. For the fiscal year, sales/use tax receipts totaled \$2,000.2 million, representing an increase of 4.7 percent. The annual estimated rate of sales/use tax growth was 4.7 percent.

Corporate Income Tax

Corporate income tax receipts during June totaled \$64.0 million, which is \$16.2 million or 33.9 percent more than in June 2007. For the fiscal year, corporate income tax receipts totaled \$483.8 million or 13.9 percent more than last year. Corporate income tax receipts were estimated to increase at a rate of 10.2 percent.



Cigarette and Tobacco Tax

Receipts from cigarette tax revenue stood at \$21.7 million in June 2008. This represents a decrease of \$2.1 million or 8.8 percent over receipts in same month of 2007. Receipts from tobacco tax stood at \$1.7 million. This represents an increase of \$0.3 million over the same month in 2007. These change in rates of growth are due to the adjustments in these taxes that took effect in March 2007. Year-to-date, cigarette and tobacco tax receipts totaled \$229.5 million and \$21.2 million respectively. Cigarette and tobacco tax receipts were estimated to increase at a rate of 86.9 percent and 66.1 percent respectively.

Refunds

For the month of June, \$38.5 million in refunds were issued by the Department of Revenue. This compares to \$32.0 million issued June 2007. For the year, \$609.5 million in refunds have been issued, which is \$61.0 million or 11.1 percent more than were issued last year. Refunds are estimated to grow at 11.9 percent for the fiscal year on an accrual basis.

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING JUNE 30, 2008
(\$ MILLIONS)**

CASH BASIS

	MONTH OF JUNE		FY08 Over (Under) FY07		FY08 Annual Est Percent Of Growth
	FY07	FY08	Dollars	Percent	
Personal Income Tax	\$242.4	\$264.6	\$22.2	9.2%	8.4%
Sales/Use Tax	141.6	154.5	12.9	9.1%	4.7%
Corporate Income Tax	47.8	64.0	16.2	33.9%	10.2%
Inheritance Tax	5.8	8.7	2.9	50.0%	0.0%
Insurance Premium Tax	26.8	26.9	0.1	N/A	9.4%
Cigarette Tax	23.8	21.7	(2.1)	-8.8%	86.9%
Tobacco Tax	1.4	1.7	0.3	21.4%	66.1%
Beer Tax	1.5	1.4	(0.1)	-6.7%	1.4%
Franchise Tax	4.5	6.1	1.6	35.6%	7.5%
Miscellaneous Tax	0.1	0.0	(0.1)	-100.0%	0.0%
Total Special Taxes	\$495.7	\$549.6	\$53.9	10.9%	8.9%
Institutional Payments	1.3	1.6	0.3	23.1%	-0.8%
Liquor Transfers:	7.3	7.5	0.2	2.7%	8.8%
Interest	0.5	0.4	(0.1)	-20.0%	-5.9%
Fees	5.1	6.8	1.7	33.3%	-7.0%
Judicial Revenue	6.9	8.7	1.8	26.1%	33.8%
Miscellaneous Receipts	3.1	2.4	(0.7)	-22.6%	5.9%
Racing and Gaming	0.0	0.0	0.0	N/A	0.0%
Total Receipts	\$519.9	\$577.0	\$57.1	11.0%	8.8%
Transfers	\$0.0	(\$1.2)	(\$1.2)		
Total Rcpts & Transfers	\$519.9	\$575.8	\$55.9		

Iowa Department of Management
July 3, 2008

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE TWELVE MONTHS ENDING JUNE 30, 2008
(\$ MILLIONS)**

CASH BASIS

	TWELVE MONTHS THROUGH JUNE		FY08 Over (Under) FY07		FY08 Annual Est Percent Of Growth
	FY07	FY08	Dollars	Percent	
Personal Income Tax	\$3,085.9	\$3,359.7	\$273.8	8.9%	8.4%
Sales/Use Tax	1,910.1	2,000.2	90.1	4.7%	4.7%
Corporate Income Tax	424.6	483.8	59.2	13.9%	10.2%
Inheritance Tax	76.0	78.4	2.4	3.2%	0.0%
Insurance Premium Tax	105.2	111.7	6.5	6.2%	9.4%
Cigarette Tax	122.0	229.5	107.5	88.1%	86.9%
Tobacco Tax	12.1	21.2	9.1	75.2%	66.1%
Beer Tax	14.3	14.5	0.2	1.4%	1.4%
Franchise Tax	33.3	37.6	4.3	12.9%	7.5%
Miscellaneous Tax	1.0	1.0	0.0	0.0%	0.0%
Total Special Taxes	\$5,784.5	\$6,337.6	\$553.1	9.6%	8.9%
Institutional Payments	12.9	14.9	2.0	15.5%	-0.8%
Liquor Transfers:	65.2	72.4	7.2	11.0%	8.8%
Interest	28.7	25.3	(3.4)	-11.8%	-5.9%
Fees	84.5	82.1	(2.4)	-2.8%	-7.0%
Judicial Revenue	66.8	90.0	23.2	34.7%	33.8%
Miscellaneous Receipts	35.7	36.0	0.3	0.8%	5.9%
Racing and Gaming	60.0	60.0	0.0	0.0%	0.0%
Total Receipts	\$6,138.3	\$6,718.3	\$580.0	9.4%	8.8%
Transfers	\$68.5	\$64.9	(\$3.6)		
Total Rcpts & Transfers	\$6,206.8	\$6,783.2	\$576.4		

Iowa Department of Management
July 3, 2008