



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

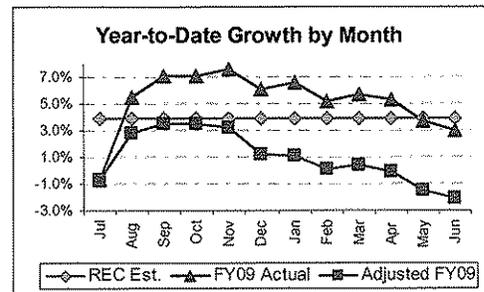
DEPARTMENT OF MANAGEMENT

DATE: July 1, 2009  
TO: The Honorable Chester J. Culver  
The Honorable Patty Judge  
FROM: Richard Oshlo, State Budget Director *RO*  
Department of Management  
RE: June 2009 General Fund Receipts

Fiscal year-to-date General Fund receipts totaled \$6.9215 billion, an increase of 3.0 percent over the same period last year, which is -0.9 percent or \$57.7 million below the Revenue Estimating Conference's (REC) official estimated rate of annual growth of 3.9 percent on an unadjusted basis. General Fund receipts for June totaled \$553.7 million, which is \$23.3 million or 4.0 percent less than was collected during June 2008. These figures do not include adjustments for tax refunds, or accruals, which will most likely reduce available revenue, or school infrastructure transfers. Final tax refunds, which will be determined in September, have increased in June.

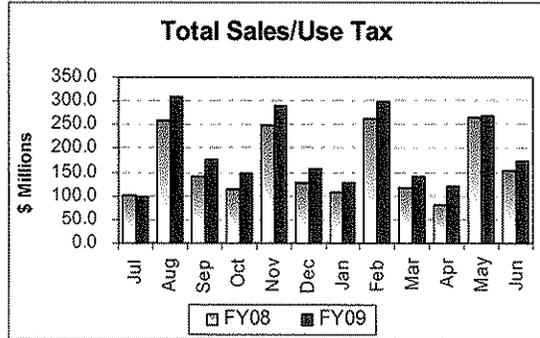
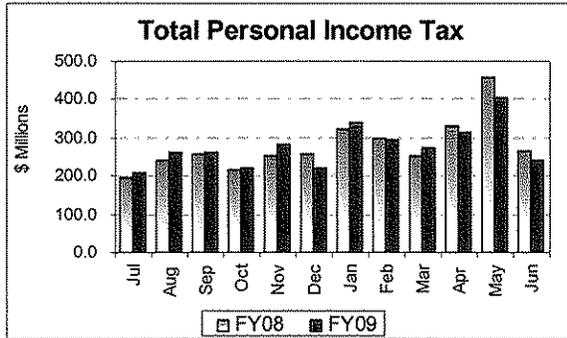
**Summary**

**Year-to-date General Fund receipts have grown 3.0 percent compared to the REC estimate of 3.9 percent. Clearly, General Fund receipts have declined in June because of a decline in personal income tax receipts, corporate income tax and insurance premium tax. It should be noted that final accrual numbers and refunds are not determined until the end of September 2009.**



**Personal Income Tax**

Personal income tax receipts totaled \$241.1 million during June. This represents \$23.5 million or 8.9 percent less than the receipts of June 2008. Withholding tax receipts decreased \$10.1 million or 5.0 percent compared to last year. Estimated payments decreased by \$11.8 million. Final return payments decreased by \$1.6 million. Fiscal year-to-date, personal income tax receipts totaled \$3.331 billion, a decrease of 0.9 percent. Personal income tax receipts are estimated to grow by 0.1 percent for the year.

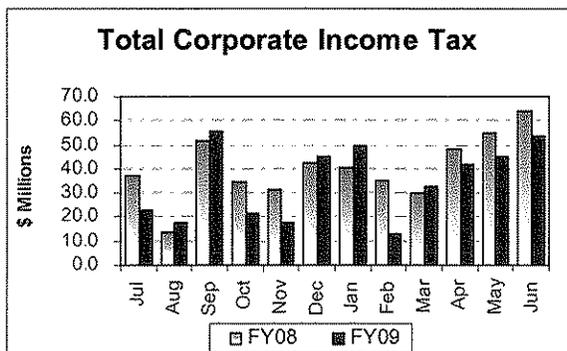


**Sales/Use Tax**

June sales/use tax receipts totaled \$173.9 million, an increase of \$19.4 million or 12.6 percent compared to June 2008. The State sales/use tax was increased 20 percent from 5.0% to 6.0% beginning July 1, 2008, with the increase replacing the School Infrastructure Local Option (SILO) sales tax. Beginning in August 2008, sales/use gross tax receipts are no longer adjusted for SILO sales tax payments to school districts. This adjustment is now made in the same manner as refunds are made, through a standing unlimited appropriation from the General Fund. The June adjustment for school infrastructure transfer was \$30.8 million. For the fiscal year, sales/use tax receipts totaled \$2.327 billion or 16.4 percent more than last year, compared to the estimate of increase of 17.7 percent.

**Corporate Income Tax**

Corporate income tax receipts during June totaled \$53.5 million, which is \$10.5 million or 16.4 percent less than in June 2008. For the fiscal year, corporate income tax receipts totaled \$416.5 million or 13.9 percent less than last year. The REC estimated that corporate income tax receipts would decrease at a rate of 15.8 percent.



### Refunds

For the month of June, \$56.7 million in refunds were issued by the Department of Revenue on a cash basis. This compares to \$38.5 million issued June 2008. Year-to-date refunds issued on a cash basis are \$832.3 million compared to \$658.9 million for the same period last year. The REC estimated that refunds would to grow at 12.6 percent on an accrual basis to \$760.0 million in Fiscal Year 2009.

**STATE OF IOWA  
GENERAL FUND RECEIPTS STATEMENT  
FOR THE MONTH ENDING JUNE 30, 2009  
(\$ MILLIONS)**

**CASH BASIS**

	MONTH OF JUNE		FY09 Over (Under) FY08		FY09 Annual Est Percent Of Growth
	FY08	FY09	Dollars	Percent	
Personal Income Tax	\$264.6	\$241.1	(\$23.5)	-8.9%	0.1%
Sales/Use Tax	154.5	173.9	19.4	12.6%	17.7%
Corporate Income Tax	64.0	53.5	(10.5)	-16.4%	-15.8%
Inheritance Tax	8.7	6.8	(1.9)	-21.8%	0.0%
Insurance Premium Tax	26.9	15.3	(11.6)	-43.1%	1.1%
Cigarette Tax	21.7	18.7	(3.0)	-13.8%	-5.4%
Tobacco Tax	1.7	1.4	(0.3)	-17.6%	2.8%
Beer Tax	1.4	1.5	0.1	7.1%	1.4%
Franchise Tax	6.1	5.2	(0.9)	-14.8%	-10.9%
Miscellaneous Tax	0.0	1.5	1.5	0.0%	0.0%
<b>Total Special Taxes</b>	<b>\$549.6</b>	<b>\$518.9</b>	<b>(\$30.7)</b>	<b>-5.6%</b>	<b>4.2%</b>
Institutional Payments	1.6	1.2	(0.4)	-25.0%	-8.1%
Liquor Transfers:	7.5	12.4	4.9	65.3%	12.7%
Interest	0.4	0.1	(0.3)	-75.0%	-41.9%
Fees	6.8	4.4	(2.4)	-35.3%	-12.8%
Judicial Revenue	8.7	9.5	0.8	9.2%	3.7%
Miscellaneous Receipts	2.4	7.2	4.8	200.0%	9.4%
Racing and Gaming	0.0	0.0	0.0	0.0%	0.0%
<b>Total Gross Tax and Other Receipts</b>	<b>\$577.0</b>	<b>\$553.7</b>	<b>(\$23.3)</b>	<b>-4.0%</b>	<b>3.9%</b>
Transfers	(\$1.2)	\$0.3	\$1.5		
<b>Total Gross Tax and Other Rcpts &amp; Transfers</b>	<b>\$575.8</b>	<b>\$554.0</b>	<b>(\$21.8)</b>		
<b>Reductions in General Fund Receipts</b>					
School Infrastructure Transfer	\$0.0	(\$30.8)	(\$30.8)		
Refunds	(38.5)	(56.7)	(18.2)		
<b>Total Reductions in GF Receipts</b>	<b>(\$38.5)</b>	<b>(\$87.5)</b>	<b>(\$49.0)</b>		

Iowa Department of Management  
July 1, 2009

**STATE OF IOWA  
GENERAL FUND RECEIPTS STATEMENT  
FOR THE TWELVE MONTHS ENDING JUNE 30, 2009  
(\$ MILLIONS)**

**CASH BASIS**

	TWELVE MONTHS THROUGH JUNE		FY09 Over (Under) FY08		FY09 Annual Est Percent Of Growth
	FY08	FY09	Dollars	Percent	
Personal Income Tax	\$3,359.7	\$3,330.7	(\$29.0)	-0.9%	0.1%
Sales/Use Tax	2,000.2	2,327.4	327.2	16.4%	17.7%
Corporate Income Tax	483.8	416.5	(67.3)	-13.9%	-15.8%
Inheritance Tax	78.4	75.4	(3.0)	-3.8%	0.0%
Insurance Premium Tax	111.7	90.0	(21.7)	-19.4%	1.1%
Cigarette Tax	229.5	215.8	(13.7)	-6.0%	-5.4%
Tobacco Tax	21.2	23.0	1.8	8.5%	2.8%
Beer Tax	14.5	14.7	0.2	1.4%	1.4%
Franchise Tax	37.6	33.7	(3.9)	-10.4%	-10.9%
Miscellaneous Tax	1.0	2.4	1.4	140.0%	0.0%
<b>Total Special Taxes</b>	<b>\$6,337.6</b>	<b>\$6,529.6</b>	<b>\$192.0</b>	<b>3.0%</b>	<b>4.2%</b>
Institutional Payments	14.9	15.5	0.6	4.0%	-8.1%
Liquor Transfers:	72.4	85.5	13.1	18.1%	12.7%
Interest	25.3	14.6	(10.7)	-42.3%	-41.9%
Fees	82.1	77.7	(4.4)	-5.4%	-12.8%
Judicial Revenue	90.0	98.8	8.8	9.8%	3.7%
Miscellaneous Receipts	36.0	39.8	3.8	10.6%	9.4%
Racing and Gaming	60.0	60.0	0.0	0.0%	0.0%
<b>Total Gross Tax and Other Receipts</b>	<b>\$6,718.3</b>	<b>\$6,921.5</b>	<b>\$203.2</b>	<b>3.0%</b>	<b>3.9%</b>
Transfers	\$64.9	\$107.4	\$42.5		
<b>Total Gross Tax and Other Rcpts &amp; Transfers</b>	<b>\$6,783.2</b>	<b>\$7,028.9</b>	<b>\$245.7</b>		
<b>Reductions in General Fund Receipts</b>					
School Infrastructure Transfer	\$0.0	(\$350.3)	(\$350.3)		
Refunds	(658.9)	(832.3)	(173.4)		
<b>Total Reductions in GF Receipts</b>	<b>(\$658.9)</b>	<b>(\$1,182.6)</b>	<b>(\$523.7)</b>		

Iowa Department of Management  
July 1, 2009