



STATE OF IOWA

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

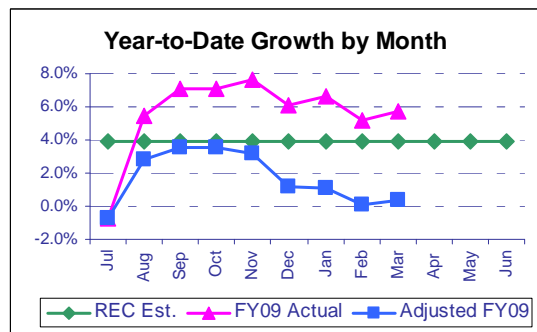
DEPARTMENT OF MANAGEMENT
CHARLES J. KROGMEIER, DIRECTOR

DATE: April 8, 2009
TO: The Honorable Chester J. Culver
The Honorable Patty Judge
FROM: Charles J. Krogmeier, Director
Department of Management
RE: March 2009 General Fund Receipts

General Fund receipts for March totaled \$511.2 million, which is \$46.3 million or 10.0 percent more than was collected during March 2008. March 2009 had the same number of processing days as March 2008. Fiscal year-to-date General Fund receipts totaled \$5.030 billion, an increase of 5.7 percent over the same period last year. The Revenue Estimating Conference's (REC) official estimated rate of annual growth is 3.9 percent for Fiscal Year 2009 on an unadjusted basis. It is important to note these figures do not include adjustments for school infrastructure transfers, tax refunds or accruals, which could reduce available revenue.

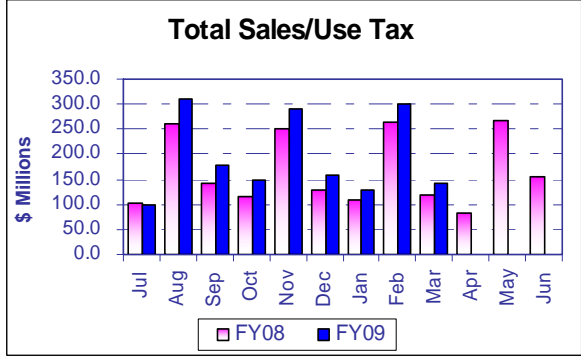
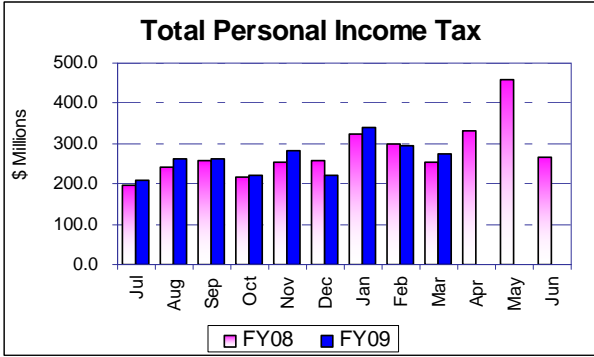
Summary

The increase in March receipts benefitted from strong farm return payments and growth in sales/use and corporate income tax receipts, which led to a year-to-date growth of 5.7 percent. This year-to-date growth rate was anticipated by the Revenue Estimating Conference, which assumes that revenue growth will slow down the next three months as a result of the economic downturn.



Personal Income Tax

Personal income tax receipts totaled \$275.1 million during March. This represents \$21.7 million or 8.6 percent more than the receipts of March 2008. Withholding tax receipts decreased \$0.7 million or 0.3 percent compared to last year. Estimated payments increased by \$0.3 million. Final return payments increased by \$22.1 million, with most of the increase attributable to farm returns, which are due March 1. Fiscal year-to-date, personal income tax receipts totaled \$2.367 billion, an increase of 2.7 percent. Personal income tax receipts are estimated to grow by 0.1 percent for the year.

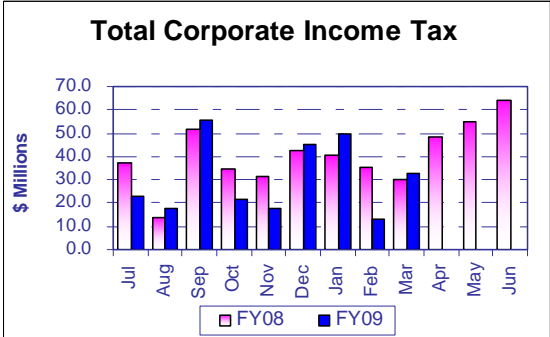


Sales/Use Tax

March sales/use tax receipts totaled \$142.8 million, which represents an increase of \$25.5 million or 21.7 percent compared to March 2008. The State sales/use tax was increased 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 March adjustment for school infrastructure transfer was \$30.0 million. For the fiscal year, sales/use tax receipts totaled \$1.762 billion or 17.8 percent more than last year, compared to the estimate of increase of 17.7 percent.

Corporate Income Tax

Corporate income tax receipts during March totaled \$32.5 million, which is \$2.5 million or 8.3 percent more than in March 2008. For the fiscal year, corporate income tax receipts totaled \$276.2 million or 12.8 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 March, \$158.0 million in refunds were issued by the Department of Revenue on a cash basis. This compares to \$115.2 million issued March 2008. Year-to-date refunds issued are \$555.5 million compared to \$449.2 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 MARCH 31, 2009
(\$ MILLIONS)**

CASH BASIS

	MONTH OF MARCH		FY09 Over (Under) FY08		FY09 Annual Est Percent Of Growth
	FY08	FY09	Dollars	Percent	
Personal Income Tax	\$253.4	\$275.1	\$21.7	8.6%	0.1%
Sales/Use Tax	117.3	142.8	25.5	21.7%	17.7%
Corporate Income Tax	30.0	32.5	2.5	8.3%	-15.8%
Inheritance Tax	4.5	5.1	0.6	13.3%	0.0%
Insurance Premium Tax	10.1	6.0	(4.1)	100.0%	1.1%
Cigarette Tax	16.3	14.8	(1.5)	-9.2%	-5.4%
Tobacco Tax	1.7	2.0	0.3	17.6%	2.8%
Beer Tax	1.0	0.9	(0.1)	-10.0%	1.4%
Franchise Tax	2.6	1.9	(0.7)	-26.9%	-10.9%
Miscellaneous Tax	0.1	0.1	0.0	0.0%	0.0%
Total Special Taxes	\$437.0	\$481.2	\$44.2	10.1%	4.2%
Institutional Payments	1.4	1.5	0.1	7.1%	-8.1%
Liquor Transfers:	5.5	5.5	0.0	0.0%	12.7%
Interest	2.0	0.9	(1.1)	-55.0%	-41.9%
Fees	8.8	9.7	0.9	10.2%	-12.8%
Judicial Revenue	7.6	9.9	2.3	30.3%	3.7%
Miscellaneous Receipts	2.6	2.5	(0.1)	-3.8%	9.4%
Racing and Gaming	0.0	0.0	0.0	100.0%	0.0%
Total Gross Tax and Other Receipts	\$464.9	\$511.2	\$46.3	10.0%	3.9%
Transfers	\$0.1	\$48.0	\$47.9		
Total Gross Tax and Other Rcpts & Transfers	\$465.0	\$559.2	\$94.2		
Reductions in General Fund Receipts					
School Infrastructure Transfer	\$0.0	(\$30.0)	(\$30.0)		
Refunds	(\$115.2)	(\$158.0)	(\$42.8)		
Total Reductions in GF Receipts	(\$115.2)	(\$188.0)	(\$72.8)		

Iowa Department of Management
April 3, 2009

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE NINE MONTHS ENDING MARCH 31, 2009
(\$ MILLIONS)**

CASH BASIS

	NINE MONTHS THROUGH MARCH		FY09 Over (Under) FY08		FY09 Annual Est Percent Of Growth
	FY08	FY09	Dollars	Percent	
Personal Income Tax	\$2,303.7	\$2,366.8	\$63.1	2.7%	0.1%
Sales/Use Tax	1,495.6	1,761.6	266.0	17.8%	17.7%
Corporate Income Tax	316.9	276.2	(40.7)	-12.8%	-15.8%
Inheritance Tax	57.2	57.2	0.0	0.0%	0.0%
Insurance Premium Tax	67.5	57.7	(9.8)	-14.5%	1.1%
Cigarette Tax	167.8	163.1	(4.7)	-2.8%	-5.4%
Tobacco Tax	15.8	17.2	1.4	8.9%	2.8%
Beer Tax	10.9	10.9	0.0	0.0%	1.4%
Franchise Tax	22.9	20.0	(2.9)	-12.7%	-10.9%
Miscellaneous Tax	0.7	0.5	(0.2)	-28.6%	0.0%
Total Special Taxes	\$4,459.0	\$4,731.2	\$272.2	6.1%	4.2%
Institutional Payments	10.9	11.6	0.7	6.4%	-8.1%
Liquor Transfers:	50.3	58.6	8.3	16.5%	12.7%
Interest	24.0	13.8	(10.2)	-42.5%	-41.9%
Fees	64.4	60.2	(4.2)	-6.5%	-12.8%
Judicial Revenue	63.0	67.3	4.3	6.8%	3.7%
Miscellaneous Receipts	28.2	27.5	(0.7)	-2.5%	9.4%
Racing and Gaming	59.7	60.0	0.3	0.5%	0.0%
Total Gross Tax and Other Receipts	\$4,759.5	\$5,030.2	\$270.7	5.7%	3.9%
Transfers	\$51.0	\$91.9	\$40.9		
Total Gross Tax and Other Rcpts & Transfers	\$4,810.5	\$5,122.1	\$311.6		
Reductions in General Fund Receipts					
School Infrastructure Transfer	\$0.0	(\$251.5)	(\$251.5)		
Refunds	(449.2)	(555.5)	(106.3)		
Total Reductions in GF Receipts	(\$449.2)	(\$807.0)	(\$357.8)		

Iowa Department of Management
April 3, 2009