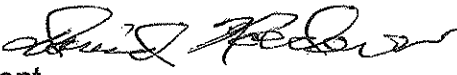




STATE OF IOWA

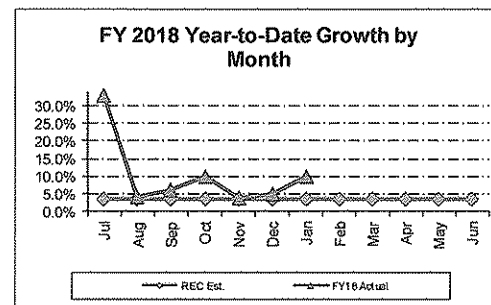
KIM REYNOLDS, GOVERNOR
ADAM GREGG, LT. GOVERNOR

DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: February 2, 2018
TO: The Honorable Kim Reynolds
The Honorable Adam Gregg
FROM: David Roederer, Director 
Department of Management
RE: January 2018 General Fund Receipts

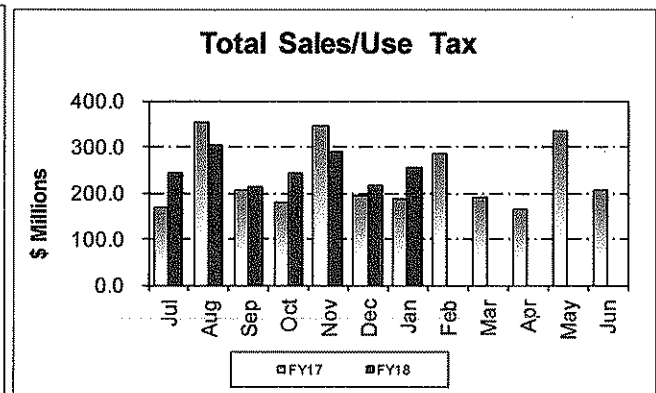
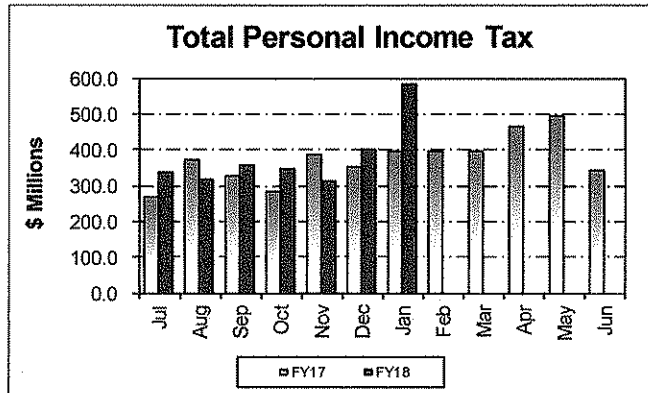
Gross General Fund receipts for January 2018 totaled \$919.9 million, an increase of 39.4 percent over the same period last year. The strong growth is due to three factors: the impact of federal tax reform on individual estimate payments, the collection of additional ecommerce revenue in the form of use tax, and the overall acceleration of processing all payments. The last impact is particularly important for withholding and sales/use tax quarterly return payments. Fiscal year-to-date, gross General Fund receipts totaled \$5,020.2 million or a 10.0 percent increase. The estimate for FY2018 is an increase of 3.7 percent.

Summary
Fiscal year-to-date gross receipts are 10.0 percent higher compared to January 2017. The current estimate for Fiscal Year 2018 is for a growth rate of 3.7 percent for gross receipts on a cash basis.



Personal Income Tax

Personal income tax receipts totaled \$582.6 million during January 2018. This is \$188.6 million or 47.9 percent more than the receipts of January 2017. Withholding tax receipts increased \$84.4 million or 31.6 percent compared to last year. Payment acceleration significantly influenced withholding receipts in January. In FY2017, \$9 million was deposited on January 31 and \$88.5 million was deposited on February 1, while this year, \$87.4 million was deposited on January 31. Estimated payments increased \$92.3 million compared to last year. Much of the increase was due to paper payments postmarked in December 2017 as taxpayers reacted to federal tax reform by making payments in Tax Year 2017. The number of payments increased by 4.0 percent compared to last year, but the value of payments increased by 60.5 percent. Final return payments increased \$11.9 million. Fiscal year-to-date personal income tax receipts totaled \$2,654.4 million, an increase of 11.5 percent. The estimate for personal income tax for FY2018 is for an increase of 4.2 percent.

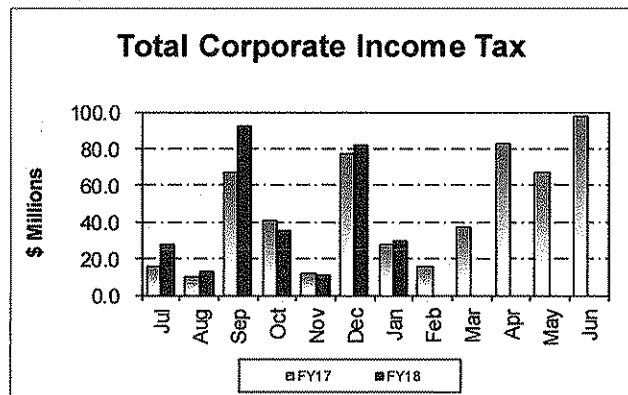


Sales/Use Tax

January sales/use tax receipts totaled \$253.4 million, which represents an increase of \$65.5 million or 34.9 percent over January 2017. Sales tax increased 38.7 percent and use tax increased 27.4 percent. Payment acceleration influenced sales tax in January. On February 1 last year, \$42.3 million in payments were deposited, while \$44.3 million were deposited on January 31 this year. For use tax, the increase seen this January is due to the increase in the collection of additional ecommerce revenue, which is largely attributable to one remote seller. Fiscal year-to-date sales/use tax receipts totaled \$1,758.7 million, an increase of \$124.8 million or 7.6 percent compared to the same period last year. The estimate for sales/use tax for FY2018 is for an increase of 3.8 percent.

Corporate Income Tax

Corporate income tax receipts during January totaled \$29.2 million, which is \$1.3 million or 4.7 percent more than in January 2017. Fiscal year-to-date corporate income tax receipts totaled \$289.1 million, an increase of \$39.3 million or 15.7 percent. The estimate for corporate income tax for FY2018 is for an increase of 7.8 percent.



Refunds

For the month of January, the Department of Revenue issued \$12.8 million in refunds on a cash basis. This compares to \$27.8 million issued January 2017. For the fiscal year-to-date, total refunds issued on a cash basis were \$301.8 million. This compares to \$283.0 million issued at this time last year.

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING JANUARY 31, 2018
(\$ MILLIONS)**

CASH BASIS

	MONTH OF JANUARY		FY18 Over (Under) FY17		FY18 Annual Est Percent Of Growth
	FY17	FY18	Dollars	Percent	
Personal Income Tax	\$394.0	\$582.6	\$188.6	47.9%	4.2%
Sales/Use Tax	187.9	253.4	65.5	34.9%	3.8%
Corporate Income Tax	27.9	29.2	1.3	4.7%	7.8%
Inheritance Tax	6.0	8.6	2.6	43.3%	3.1%
Insurance Premium Tax	0.3	1.5	1.2	100.0%	-6.0%
Beer Tax	1.1	1.1	0.0	0.0%	0.7%
Franchise Tax	4.1	6.8	2.7	65.9%	-5.4%
Miscellaneous Tax	0.0	0.0	0.0	0.0%	-7.1%
Total Special Taxes	\$621.3	\$883.2	\$261.9	42.2%	4.1%
Institutional Payments	0.8	1.1	0.3	37.5%	-21.6%
Liquor Transfers:	11.2	11.2	0.0	0.0%	0.0%
Interest	0.2	0.4	0.2	100.0%	-9.1%
Fees	2.5	3.7	1.2	-100.0%	-0.4%
Judicial Revenue	9.0	9.2	0.2	2.2%	3.3%
Miscellaneous Receipts	15.0	11.1	(3.9)	-26.0%	-27.7%
Total Receipts	\$660.0	\$919.9	\$259.9	39.4%	3.7%
Transfers	\$18.1	\$20.8	\$2.7		
Transfer from Economic Emergenc	\$0.0	0.0	0.0		
Total Rcpts & Transfers	\$678.1	\$940.7	\$262.6		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$43.4)	(\$43.3)	\$0.1		
Refunds	(\$27.8)	(\$12.8)	\$15.0		
Total Reductions in GF Receipts	(\$71.2)	(\$56.1)	\$15.1		

Iowa Department of Management
February 2, 2018

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE SEVEN MONTHS ENDING JANUARY 31, 2018
(\$ MILLIONS)**

CASH BASIS

	SEVEN MONTHS THROUGH JANUARY		FY18 Over (Under) FY17		FY18 Annual Est Percent Of Growth
	FY17	FY18	Dollars	Percent	
Personal Income Tax	\$2,380.0	\$2,654.4	\$274.4	11.5%	4.2%
Sales/Use Tax	1,633.9	1,758.7	124.8	7.6%	3.8%
Corporate Income Tax	249.8	289.1	39.3	15.7%	7.8%
Inheritance Tax	49.1	51.3	2.2	4.5%	3.1%
Insurance Premium Tax	53.7	54.9	1.2	2.2%	-6.0%
Beer Tax	8.6	8.4	(0.2)	-2.3%	0.7%
Franchise Tax	28.4	32.4	4.0	14.1%	-5.4%
Miscellaneous Tax	0.5	0.6	0.1	100.0%	-7.1%
Total Special Taxes	\$4,404.0	\$4,849.8	\$445.8	10.1%	4.1%
Institutional Payments	5.8	6.6	0.8	13.8%	-21.6%
Liquor Transfers:	69.0	68.1	(0.9)	-1.3%	0.0%
Interest	1.4	1.8	0.4	28.6%	-9.1%
Fees	11.8	13.0	1.2	10.2%	-0.4%
Judicial Revenue	43.1	44.7	1.6	3.7%	3.3%
Miscellaneous Receipts	30.2	36.2	6.0	19.9%	-27.7%
Total Receipts	\$4,565.3	\$5,020.2	\$454.9	10.0%	3.7%
Transfers	\$88.6	\$71.7	(\$16.9)		
Transfer from Economic Emergency Fund		13.0	13.0		
Total Rcpts & Transfers	\$4,653.9	\$5,104.9	\$451.0		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$287.1)	(\$277.2)	\$9.9		
Refunds	(283.0)	(301.8)	(18.8)		
Total Reductions in GF Receipts	(\$570.1)	(\$579.0)	(\$8.9)		

Iowa Department of Management
February 2, 2018