



STATE OF IOWA

KIM REYNOLDS, GOVERNOR
ADAM GREGG, LT. GOVERNOR

DEPARTMENT OF MANAGEMENT
David Roederer, Director

DATE: July 1, 2020

TO: The Honorable Kim Reynolds
The Honorable Adam Gregg

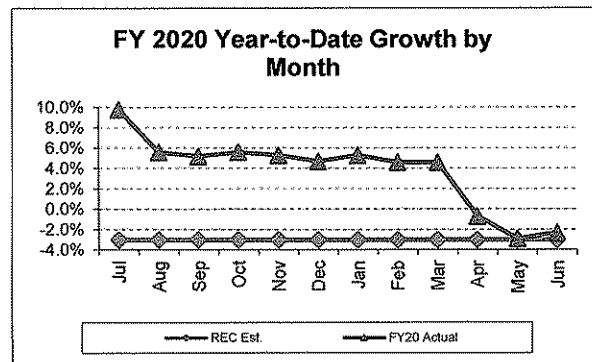
FROM: David Roederer, Director 
Department of Management

RE: June 2020 General Fund Receipts

Gross General Fund receipts for June 2020 totaled \$786.1 million, an increase of 4.0 percent over the same period last year. Fiscal year-to-date, gross General Fund receipts totaled \$9,136.1 million or 2.3 percent less than the same period last year. The estimate for Fiscal Year 2020 was for a -3.0 percent growth in gross receipts.

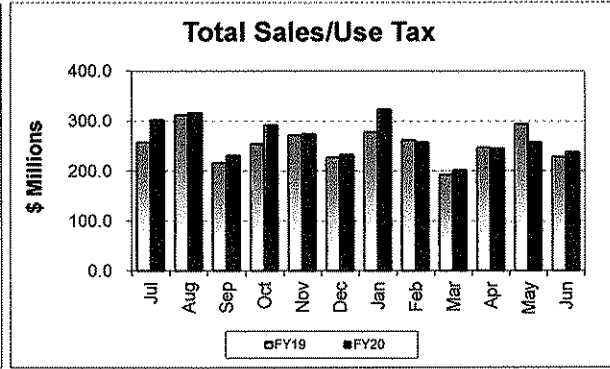
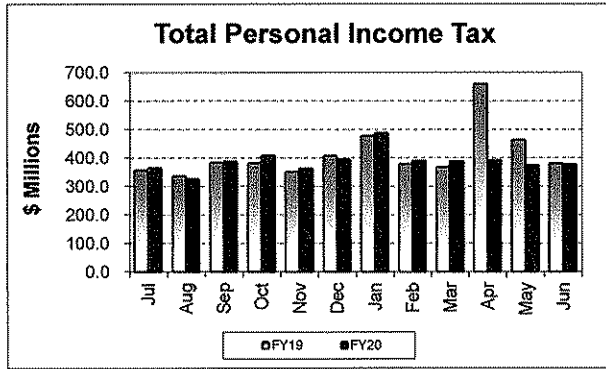
Summary

Fiscal year-to-date gross receipts on a cash basis are 2.3 percent less compared to June 2019. The estimate for Fiscal Year 2020 was a growth rate of -3.0 percent for gross receipts. FY 2020 receipts were considerably impacted by the filing date changes for individual and corporate income tax returns and responses to the coronavirus outbreak.



Personal Income Tax

Personal income tax receipts totaled \$376.8 million during June 2020. This is \$2.7 million or 0.7 percent less than the receipts of June 2019. Withholding tax receipts decreased \$12.1 million or 4.1 percent compared to last year. Estimated payments decreased \$17.4 million compared to last year. Final return payments increased \$26.8 million compared to last year. Final returns were impacted by the filing due date for individual tax returns for tax year 2019 being extended from April 30 to July 30 this year due to the coronavirus disease outbreak. Fiscal year-to-date, personal income tax receipts totaled \$4,652.0 million, a decrease of 5.9 percent from a year ago. The estimate for personal income tax for Fiscal Year 2020 was for a decrease of 6.7 percent over Fiscal Year 2019.

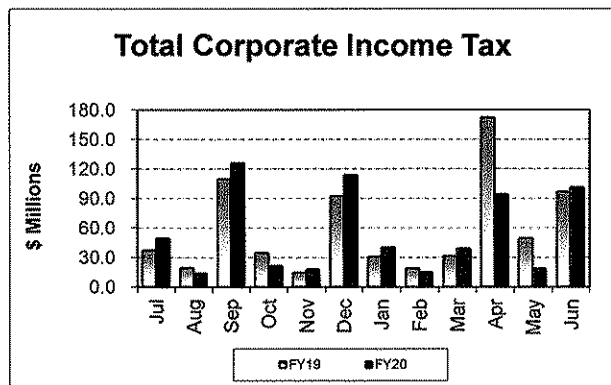


Sales/Use Tax

June sales/use tax receipts totaled \$238.3 million, which represents an increase of \$10.2 million or 4.5 percent over June 2019. Fiscal year-to-date, sales/use tax receipts totaled \$3,176.1 million, an increase of \$130.6 million or 4.3 percent compared to the same period last year. The estimate for sales/use tax for Fiscal Year 2020 was for an increase of 3.4 percent over Fiscal Year 2019.

Corporate Income Tax

Corporate income tax receipts during June totaled \$101.3 million, which is \$4.5 million or 4.6 percent more than in June 2019. Fiscal year-to-date corporate income tax receipts totaled \$648.7 million, a decrease of \$57.6 million or 8.2 percent compared to the same period last year. Corporate income taxes were impacted by the filing due date for corporate income tax returns for tax year 2019 being extended from April 30 to July 30 this year due to the coronavirus disease outbreak. The estimate for corporate income tax for Fiscal Year 2020 was for a decrease of 8.2 percent over Fiscal Year 2019.



Refunds

For the month of June, the Department of Revenue issued \$51.6 million in refunds on a cash basis. This compares to \$52.7 million issued June 2019. For the fiscal year-to-date, total refunds issued on a cash basis were \$1,079.0 million. This compares to \$1,111.5 million issued at this time last year.

FY 2020 Year-to-Date Net General Fund Receipts on an Accrual Basis

With twelve months of the fiscal year completed, as can be seen from the chart below, year-to-date net General Fund receipts have decreased 2.7 percent, which is behind the REC estimate of 1.0 percent. However, receipts on an accrual basis have been impacted by the filing due date for tax returns for tax year 2019 being extended from April 30 to July 30 this year and economic responses to the coronavirus disease outbreak. We will update this table monthly until the State's books are closed at the end of September 2020.

Net General Fund Receipts

Accrual Basis

Through June 30, 2020

	<u>FY19</u>	<u>FY20</u>	<u>Variance</u>	<u>Percent</u>	<u>Adjusted Estimate</u>
Total Gross Receipts	8,661.8	8,427.1	(234.7)	-2.7%	0.7%
Transfers	77.9	73.3	(4.6)	-5.9%	-16.3%
Refunds	(1,049.1)	(996.2)	52.9	-5.0%	-4.1%
School Infrastructure Transfer	(459.3)	(466.4)	(7.1)	1.5%	1.6%
Net General Fund Revenues compared to REC	<u>7,231.3</u>	<u>7,037.8</u>	<u>(193.5)</u>	-2.7%	1.0%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING JUNE 30, 2020
(\$ MILLIONS)**

CASH BASIS

	MONTH OF JUNE		FY20 Over (Under) FY19		FY20 Annual Est Percent Of Growth
	FY19	FY20	Dollars	Percent	
Personal Income Tax	\$379.5	\$376.8	(\$2.7)	-0.7%	-6.7%
Sales/Use Tax	228.1	238.3	10.2	4.5%	3.4%
Corporate Income Tax	96.8	101.3	4.5	4.6%	-8.2%
Inheritance Tax	4.1	5.9	1.8	43.9%	10.0%
Insurance Premium Tax	2.7	26.0	23.3	863.0%	-4.9%
Beer Tax	1.3	0.0	(1.3)	-100.0%	-6.7%
Franchise Tax	7.3	11.2	3.9	53.4%	-4.4%
Miscellaneous Tax	5.8	0.1	(5.7)	-98.3%	73.0%
Total Special Taxes	\$725.6	\$759.6	\$34.0	4.7%	-3.1%
Institutional Payments	0.8	1.5	0.7	87.5%	0.0%
Liquor Transfers:	11.7	12.8	1.1	9.4%	2.8%
Interest	0.7	0.7	0.0	0.0%	70.0%
Fees	3.2	0.4	(2.8)	-87.5%	6.6%
Judicial Revenue	10.3	8.2	(2.1)	-20.4%	0.0%
Miscellaneous Receipts	3.5	2.9	(0.6)	-17.1%	-16.4%
Gaming Revenues	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	\$755.8	\$786.1	\$30.3	4.0%	-3.0%
Transfers	\$0.1	\$0.1	\$0.0		
Total Rcpts & Transfers	\$755.9	\$786.2	\$30.3		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$41.6)	(\$44.8)	(\$3.2)		
Refunds	(52.7)	(51.6)	1.1		
Total Reductions in GF Receipts	(\$94.3)	(\$96.4)	(\$2.1)		

Iowa Department of Management
July 1, 2020

STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE TWELVE MONTHS ENDING JUNE 30, 2020
(\$ MILLIONS)

CASH BASIS

	TWELVE MONTHS THROUGH JUNE		FY20 Over (Under) FY19		FY20 Annual Est Percent Of Growth
	FY19	FY20	Dollars	Percent	
Personal Income Tax	\$4,944.0	\$4,652.0	(\$292.0)	-5.9%	-6.7%
Sales/Use Tax	3,045.5	3,176.1	130.6	4.3%	3.4%
Corporate Income Tax	706.3	648.7	(57.6)	-8.2%	-8.2%
Inheritance Tax	80.7	81.5	0.8	1.0%	10.0%
Insurance Premium Tax	153.4	143.5	(9.9)	-6.5%	-4.9%
Beer Tax	13.5	9.8	(3.7)	-27.4%	-6.7%
Franchise Tax	59.7	67.9	8.2	13.7%	-4.4%
Miscellaneous Tax	14.0	24.9	10.9	77.9%	73.0%
Total Special Taxes	\$9,017.1	\$8,804.4	(\$212.7)	-2.4%	-3.1%
Institutional Payments	11.2	12.6	1.4	12.5%	0.0%
Liquor Transfers:	125.6	131.9	6.3	5.0%	2.8%
Interest	9.0	15.1	6.1	67.8%	70.0%
Fees	28.9	28.4	(0.5)	-1.7%	6.6%
Judicial Revenue	95.4	90.4	(5.0)	-5.2%	0.0%
Miscellaneous Receipts	62.2	51.0	(11.2)	-18.0%	-16.4%
Gaming Revenues	2.2	2.3	0.1	4.5%	0.0%
Total Receipts	\$9,351.6	\$9,136.1	(\$215.5)	-2.3%	-3.0%
Transfers	\$118.5	\$113.9	(\$4.6)		
Total Rcpts & Transfers	\$9,470.1	\$9,250.0	(\$220.1)		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$508.9)	(\$510.2)	(\$1.3)		
Refunds	(1,111.5)	(1,079.0)	32.5		
Total Reductions in GF Receipts	(\$1,620.4)	(\$1,589.2)	\$31.2		

Iowa Department of Management
July 1, 2020