



IOWA DEPARTMENT OF MANAGEMENT

Governor Kim Reynolds
Lt. Governor Adam Gregg

DATE: September 5, 2023

TO: The Honorable Kim Reynolds
The Honorable Adam Gregg

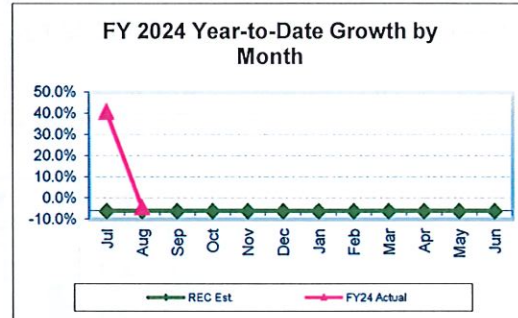
FROM: Kraig Paulsen, Director
Department of Management

RE: **August 2023 General Fund Receipts**

Gross General Fund receipts for August 2023 totaled \$693.6 million, a decrease of \$326.9 million or 32.0 percent compared to the same period last year. Fiscal year-to-date, gross General Fund receipts totaled \$1,576.5 million. This is \$71.7 million or 4.4 percent less than last year. The estimate for Fiscal Year 2023 is -6.2 percent.

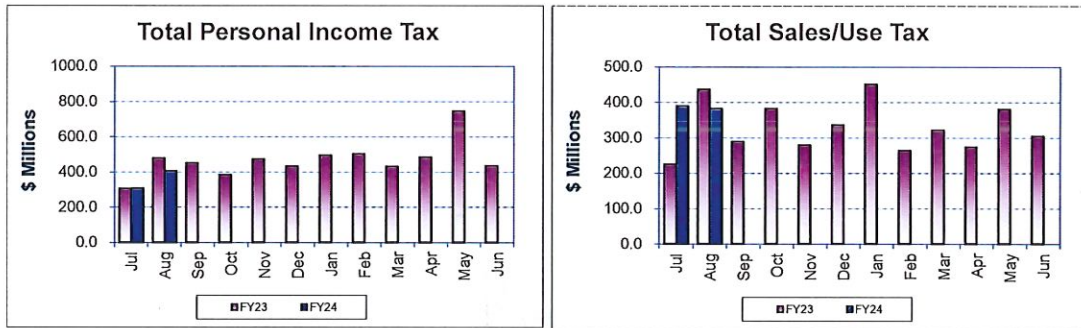
Summary

Fiscal year-to-date gross receipts on a cash basis are 4.4 percent less compared to the same period in Fiscal Year 2023. The current estimate is for a reduction of 6.2 percent for the fiscal year.



Personal Income Tax

Personal income tax receipts totaled \$404.5 million during August 2023. This is \$71.7 million or 15.1 percent less than the receipts of August 2022. Withholding tax receipts decreased \$62.9 million or 14.0 percent compared to last year. Estimated payments decreased \$5.6 million compared to last year. Final return payments decreased \$3.2 million. Fiscal year-to-date, personal income tax receipts totaled \$711.1 million, a decrease of 8.7 percent. The estimate for personal income tax for Fiscal Year 2024 is for a decrease of 8.3 percent.

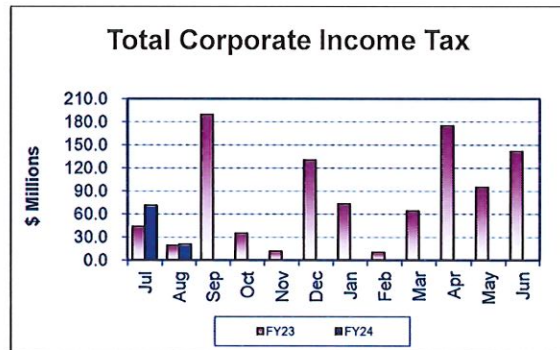


Sales/Use Tax

August sales/use tax receipts totaled \$382.1 million, which represents a decrease of \$54.2 million or 12.4 percent over August 2022. Fiscal year-to-date, sales/use tax receipts totaled \$770.6 million, an increase of \$109.7 million or 16.6 percent compared to the same period last year. The estimate for sales/use tax for Fiscal Year 2024 is for a decrease of 0.3 percent over Fiscal Year 2023.

Corporate Income Tax

Corporate income tax receipts during August totaled \$20.5 million, which is \$1.5 million more than in August 2022. Fiscal year-to-date corporate income tax receipts totaled \$91.6 million, an increase of \$29.3 million or 47.0 percent. The estimate for corporate income tax for Fiscal Year 2024 is for a decrease of 9.2 percent over Fiscal Year 2023.



Refunds

August 2023, the Department of Revenue issued \$58.3 million in refunds on a cash basis. This compares to \$35.4 million issued August 2022. For the fiscal year-to-date, total refunds issued on a cash basis were \$124.8 million. This compares to \$83.4 million issued at this time last year.

FY 2023 Year-to-Date Net General Fund Receipts on an Accrual Basis

As can be seen from the chart below, year-to-date net General Fund receipts have increased 0.3 percent, which is ahead of the REC estimate of -0.5 percent. We will update this table monthly until the State's books are closed at the end of September 2023.

Net General Fund Receipts

Accrual Basis

Through August 31, 2023

	<u>FY22</u>	<u>FY23</u>	<u>Variance</u>	<u>Percent</u>	<u>Adjusted Estimate</u>
Total Gross Receipts	10,485.8	10,833.1	347.3	3.3%	1.7%
Transfers	99.4	116.0	16.6	16.7%	-0.5%
Refunds	(1,028.8)	(1,230.3)	(201.5)	19.6%	6.4%
School Infrastructure Transfer	(571.3)	(708.1)	(136.8)	23.9%	31.2%
Net General Fund Revenues compared to REC	<u>8,985.1</u>	<u>9,010.7</u>	<u>25.6</u>	0.3%	-0.5%

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE MONTH ENDING AUGUST 31, 2023
(\$ MILLIONS)**

CASH BASIS

	MONTH OF AUGUST		FY24 Over (Under) FY23		FY24 Annual Est Percent Of Growth
	FY23	FY24	Dollars	Percent	
Personal Income Tax	\$476.2	\$404.5	(\$71.7)	-15.1%	-8.3%
Sales/Use Tax	436.3	382.1	(54.2)	-12.4%	-0.3%
Corporate Income Tax	19.0	20.5	1.5	7.9%	-9.2%
Inheritance Tax	10.5	5.2	(5.3)	-50.5%	-31.9%
Insurance Premium Tax	60.3	76.9	16.6	27.5%	-10.1%
Beer Tax	1.2	1.0	(0.2)	-16.7%	-3.8%
Franchise Tax	0.4	0.9	0.5	0.0%	-44.4%
Miscellaneous Tax	(8.2)	(224.1)	(215.9)	2632.9%	-30.7%
Total Special Taxes	\$995.7	\$667.0	(\$328.7)	-33.0%	-6.4%
Institutional Payments	1.2	1.2	0.0	0.0%	-24.8%
Liquor Transfers:	13.9	11.6	(2.3)	-16.5%	0.7%
Interest	1.7	8.9	7.2	423.5%	18.6%
Fees	2.4	2.2	(0.2)	-8.3%	-4.4%
Judicial Revenue	0.3	(0.2)	(0.5)	-166.7%	-0.8%
Miscellaneous Receipts	5.3	2.9	(2.4)	-45.3%	-17.0%
Gaming Revenues	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	\$1,020.5	\$693.6	(\$326.9)	-32.0%	-6.2%
Transfers	\$1.7	\$0.8	(\$0.9)		
Total Rcpts & Transfers	\$1,022.2	\$694.4	(\$327.8)		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$55.6)	(\$69.2)	(\$13.6)		
Refunds	(\$35.4)	(\$58.3)	(\$22.9)		
Total Reductions in GF Receipts	(\$91.0)	(\$127.5)	(\$36.5)		

Iowa Department of Management
September 5, 2023

**STATE OF IOWA
GENERAL FUND RECEIPTS STATEMENT
FOR THE TWO MONTHS ENDING AUGUST 31, 2023
(\$ MILLIONS)**

CASH BASIS

	TWO MONTHS THROUGH AUGUST		FY24 Over (Under) FY23		FY24 Annual Est Percent Of Growth
	FY23	FY24	Dollars	Percent	
Personal Income Tax	\$779.2	\$711.1	(\$68.1)	-8.7%	-8.3%
Sales/Use Tax	660.9	770.6	109.7	16.6%	-0.3%
Corporate Income Tax	62.3	91.6	29.3	47.0%	-9.2%
Inheritance Tax	17.0	13.1	(3.9)	-22.9%	-31.9%
Insurance Premium Tax	60.6	79.9	19.3	31.8%	-10.1%
Beer Tax	2.6	2.4	(0.2)	-7.7%	-3.8%
Franchise Tax	4.9	10.2	5.3	108.2%	-44.4%
Miscellaneous Tax	12.6	(158.8)	(171.4)	-1360.3%	-30.7%
Total Special Taxes	\$1,600.1	\$1,520.1	(\$80.0)	-5.0%	-6.4%
Institutional Payments	2.1	1.9	(0.2)	-9.5%	-24.8%
Liquor Transfers:	26.4	24.3	(2.1)	-8.0%	0.7%
Interest	2.7	16.6	13.9	514.8%	18.6%
Fees	3.5	4.4	0.9	25.7%	-4.4%
Judicial Revenue	3.2	2.6	(0.6)	-18.8%	-0.8%
Miscellaneous Receipts	10.2	6.6	(3.6)	-35.3%	-17.0%
Gaming Revenues	0.0	0.0	0.0	0.0%	0.0%
Total Receipts	\$1,648.2	\$1,576.5	(\$71.7)	-4.4%	-6.2%
Transfers	\$25.8	\$24.1	(\$1.7)		
Total Rcpts & Transfers	\$1,674.0	\$1,600.6	(\$73.4)		
Reductions in General Fund Receipts					
School Infrastructure Transfer	(\$100.1)	(\$119.1)	(\$19.0)		
Refunds	(83.4)	(124.8)	(41.4)		
Total Reductions in GF Receipts	(\$183.5)	(\$243.9)	(\$60.4)		

Iowa Department of Management
September 5, 2023

