

November 28, 1997

The Honorable Terry Branstad
Governor, State of Iowa
State Capitol
Des Moines, Iowa

Governor Branstad:

I am once again pleased to submit the Annual Report of the Iowa Department of Revenue and Finance to you, the General Assembly and the taxpayers of Iowa. This report details the Department's activities and accomplishments while administering Iowa's tax laws and Iowa's financial management operations during the fiscal year ended June 30, 1997. Although this summary includes a brief discussion of the Iowa Lottery and its fundamental aims, a separate report prepared by the Lottery Division provides comprehensive information on that organization's fiscal activities.

The Department of Revenue and Finance continues to work toward the realization of many varied goals. The most important of these goals are to encourage voluntary compliance through continued taxpayer education and assistance; to enhance revenue collections from all sources; to promote and improve the financial management of state government; to increase the productivity of all operational phases; and to facilitate the professional growth of a dedicated staff.

As the Director of the Department, I remain committed to the equitable administration of Iowa's tax laws and the efficient collection of state tax revenues.

Sincerely,

A handwritten signature in black ink, appearing to read 'G. D. Bair', with a long horizontal flourish extending to the right.

G. D. Bair, Director
Iowa Department of Revenue and Finance

DEPARTMENT GOALS

The Iowa Department of Revenue and Finance strives to...

collect all taxes due, but no more...

- ▲ The Department determines, assesses and collects revenue from 13 different state sources and three sources of local revenue taxes.
- ▲ Nearly 4 million documents are processed in a typical year.
- ▲ During “tax season” (January through April), the Department employs more than 100 temporary workers to assist in processing 1.3 million individual income tax returns.
- ▲ A total of 495 full time employees staff the central office, 11 in-state field offices and locations in eight other states.
- ▲ More than 15,000 sales and use tax permits are issued every year, and approximately 10,000 withholding tax agents are registered. In total, the Department issues in excess of 30,000 permits annually.

conduct the Iowa Lottery to maximize revenue...

- ▲ The Iowa Lottery Board and commissioner conduct games to raise funds for state purposes.
- ▲ Lottery sales totaled \$190 million in Fiscal Year 1997, with more than \$51 million raised for worthwhile state programs.

manage the state’s financial resources...

- ▲ The Department annually receives, disburses and monitors billions of dollars for the State of Iowa.

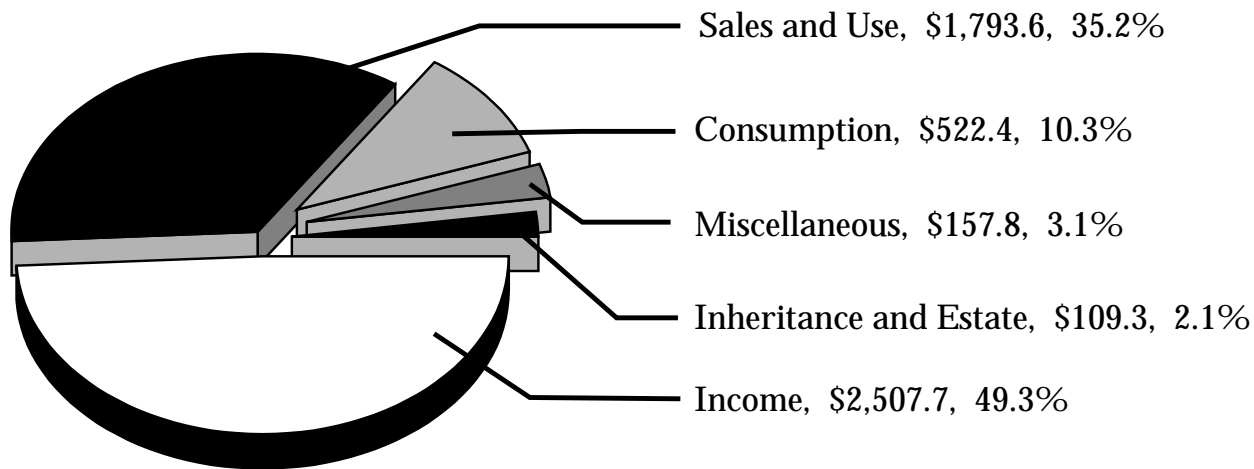
educate the taxpaying public about Iowa taxes...

- ▲ Last year the Taxpayer Service Section responded to almost 900,000 phone, mail, e-mail, internet or in-person contacts.
- ▲ Taxpayer service specialists throughout the state gave more than 540 presentations to more than 11,000 people. In addition, they contacted more than 2,900 new businesses and local government offices.

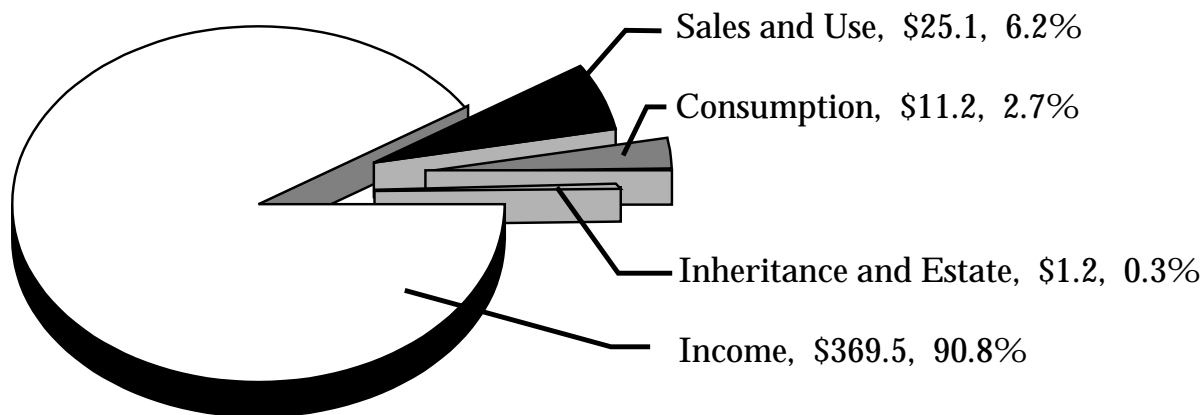
GROSS TAX COLLECTIONS AND REFUNDS

Fiscal Year 1997

Gross Tax Collections In Millions TOTAL: \$5,090.8



Tax Refunds In Millions TOTAL: \$407.0



GROSS COLLECTIONS, REFUNDS AND NET COLLECTIONS

Fiscal Year 1997

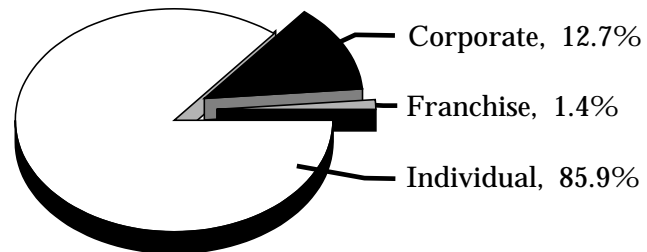
| TAXES | GROSS COLLECTIONS | REFUNDS | NET COLLECTIONS |
|---|---------------------------|-------------------------|---------------------------|
| INCOME TAXES | | | |
| Individual Income Tax | \$2,153,261,764.25 | \$307,685,694.72 | \$1,845,576,069.53 |
| Corporation Income Tax | 318,766,112.58 | 61,275,903.63 | 257,490,208.95 |
| Franchise Tax | 35,642,954.14 | 574,344.00 | 35,068,610.14 |
| Total Income Taxes | \$2,507,670,830.97 | \$369,535,942.35 | \$2,138,134,888.62 |
| SALES AND USE TAXES | | | |
| Sales Tax ¹ | \$1,370,975,491.20 | \$22,613,095.57 | \$1,348,362,395.63 |
| Use Tax | 223,023,179.80 | 2,492,544.41 | 220,530,635.39 |
| Motor Vehicle Use Tax | 199,614,154.62 | 0.00 | 199,614,154.62 |
| Total Sales and Use Taxes | \$1,793,612,825.62 | \$25,105,639.98 | \$1,768,507,185.64 |
| CONSUMPTION TAXES | | | |
| Motor Vehicle Fuel Tax | \$421,055,497.92 | \$10,486,051.36 | \$410,569,446.56 |
| Aviation Fuel Tax | 1,047,006.00 | 0.00 | 1,047,006.00 |
| <i>Subtotal – Motor Fuel Taxes</i> | 422,102,503.92 | 10,486,051.36 | 411,616,452.56 |
| Cigarette Tax | \$94,565,821.68 | \$660,006.34 | \$93,905,815.34 |
| Tobacco Tax | 5,710,584.68 | 51,014.93 | 5,659,569.75 |
| <i>Subtotal – Cigarette and Tobacco Taxes</i> | 100,276,406.36 | 711,021.27 | 99,565,385.09 |
| Total Consumption Taxes | \$522,378,910.28 | \$11,197,072.63 | \$511,181,837.65 |
| Total Inheritance and Estate Taxes | \$109,347,222.31 | \$1,145,261.74 | \$108,201,960.57 |
| MISCELLANEOUS TAXES | | | |
| Environmental Protection Charge | \$18,595,102.55 | \$0.00 | \$18,595,102.55 |
| Motor Vehicle Use 25% EPC Deposit | 17,000,000.00 | 0.00 | 17,000,000.00 |
| Real Estate Transfer Tax | 8,338,561.31 | 0.00 | 8,338,561.31 |
| Hazardous Materials Permit Fees | 435,405.00 | 0.00 | 435,405.00 |
| Insurance Premium Tax | 105,957,053.86 | 0.00 | 105,957,053.86 |
| Reimbursements | 991,993.66 | 0.00 | 991,993.66 |
| Motor Vehicle Title Surcharge | 5,373,554.46 | 0.00 | 5,373,554.46 |
| Miscellaneous | 1,123,392.82 | 0.00 | 1,123,392.82 |
| Total Miscellaneous Taxes | \$157,815,063.66 | \$0.00 | \$157,815,063.66 |
| GRAND TOTAL | \$5,090,824,852.84 | \$406,983,916.70 | \$4,683,840,936.14 |

¹ Sales tax gross collections include approximately \$106 million in local option sales and hotel/motel tax.

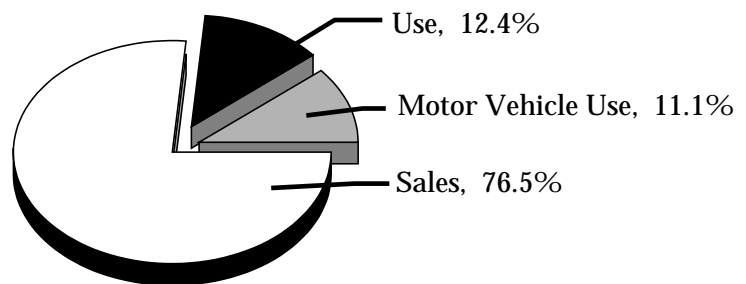
FY 97 REVENUE SOURCES

Gross Tax Collections

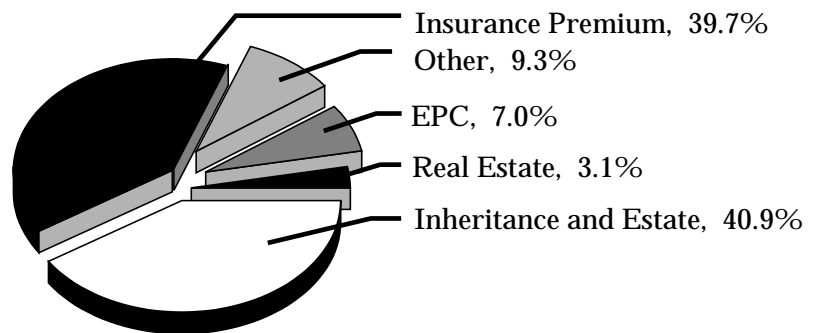
Income Taxes
\$2,507,670,830.97



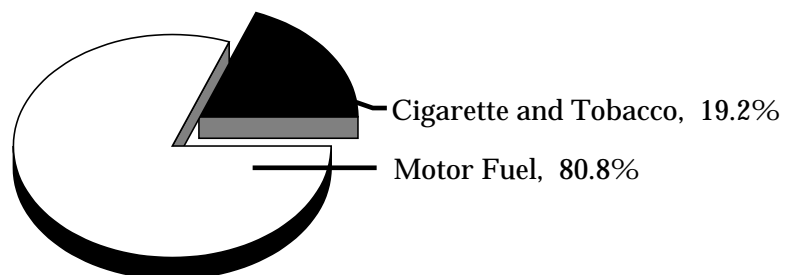
Sales/Use Taxes
\$1,793,612,825.62



Other
\$267,162,285.97



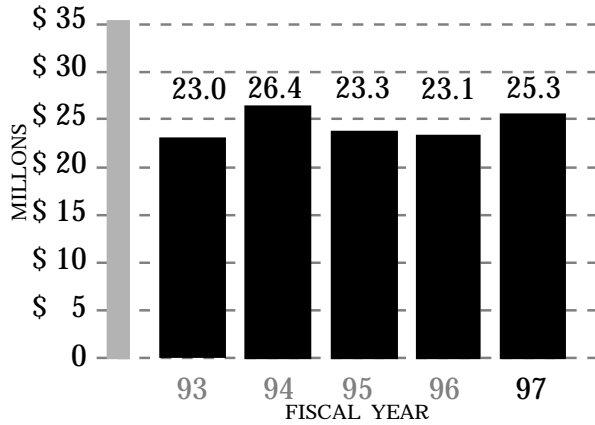
Consumption
\$522,378,910.28



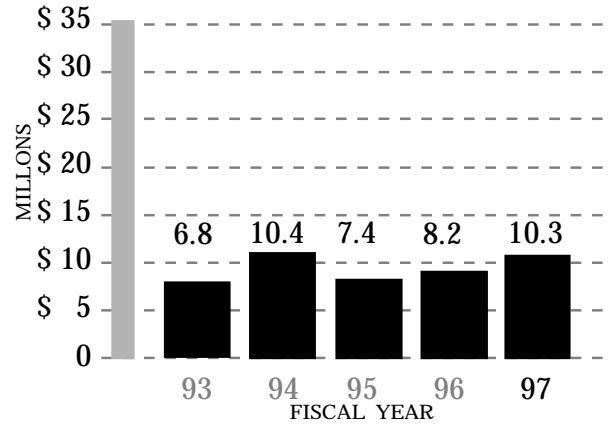
NON-COMPLIANCE COLLECTIONS

Five Year Comparison

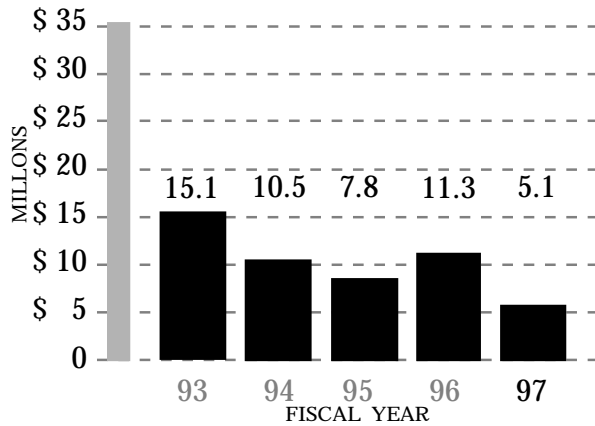
Office Audit



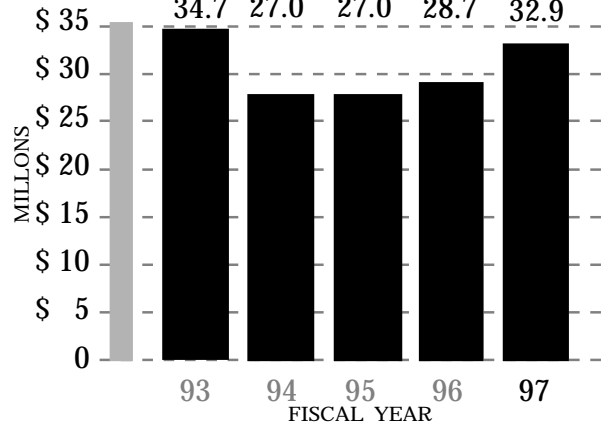
In-State Audit



Out-Of-State Audit



Other



GROSS TAX COLLECTIONS

For Fiscal Years Ending June 30

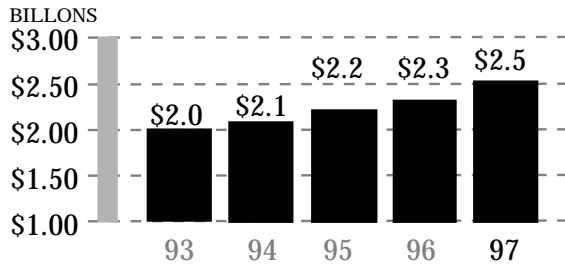
| TAXES | 1987 | 1993 | 1994 | 1995 | 1996 | 1997 |
|----------------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Individual Income | \$1,133,771,624.34 | \$1,710,498,821.97 | \$1,801,622,025.40 | \$1,893,153,347.10 | \$2,024,030,947.22 | \$2,153,261,764.25 |
| Corporation Income | 185,449,869.79 | 224,152,113.60 | 220,768,496.39 | 268,697,799.39 | 268,637,454.76 | 318,766,112.58 |
| Franchise | 15,279,063.19 | 31,668,642.30 | 34,051,675.33 | 28,905,465.76 | 26,476,123.26 | 35,642,954.14 |
| Sales | 650,792,872.67 | 1,090,371,169.31 | 1,190,081,635.11 | 1,238,785,331.03 | 1,318,128,538.62 | 1,370,975,491.20 |
| Use (includes Motor Vehicle Use) | 199,207,772.68 | 287,319,210.44 | 339,335,427.70 | 374,064,454.54 | 398,391,325.91 | 422,637,334.42 |
| MV Fuel (includes Aviation Fuel) | 264,701,735.31 | 350,216,514.90 | 361,158,506.06 | 370,404,211.78 | 407,038,148.15 | 422,102,503.92 |
| Cigarette | 75,611,227.31 | 90,670,998.02 | 91,606,755.44 | 93,273,613.81 | 94,133,883.04 | 94,565,821.68 |
| Tobacco Products | 1,879,202.55 | 4,008,572.82 | 4,594,984.58 | 5,050,572.87 | 5,309,615.83 | 5,710,584.68 |
| Inheritance & Estate | 58,369,682.79 | 76,873,076.69 | 88,146,676.47 | 89,224,090.55 | 95,885,772.87 | 109,347,222.31 |
| EPC | 0.00 | 16,378,477.93 | 16,949,397.14 | 17,341,639.17 | 17,6651,746.34 | 18,595,102.55 |
| MV 25% EPC Dep. ¹ | 0.00 | 16,125,000.00 | 15,300,000.00 | 15,300,000.00 | 17,000,000.00 | 17,000,000.00 |
| Real Estate Transfer | 2,999,968.89 | 6,810,765.93 | 7,899,417.07 | 7,149,876.56 | 7,811,390.72 | 8,338,561.31 |
| Hazardous Material | 0.00 | 240,225.00 | 443,675.00 | 184,100.00 | 289,931.00 | 435,405.00 |
| Insurance Premium | 76,498,969.96 | 96,505,584.91 | 103,326,858.85 | 102,057,650.54 | 104,274,001.36 | 105,957,053.86 |
| Equipment Car | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Gambling License | 48,245.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| Reimbursements | 84,493.94 | 403,351.19 | 337,882.61 | 200,481.74 | 901,630.34 | 991,993.66 |
| Railroad Fuel | 2,220.70 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| MV Title Surcharge | 0.00 | 4,955,961.00 | 5,174,380.00 | 5,186,825.00 | 5,420,830.83 | 5,373,544.46 |
| Miscellaneous | 0.00 | 272,052.17 | 913,262.30 | 728,667.47 | 947,294.64 | 1,123,392.82 |
| GRAND TOTAL | \$2,664,696,949.12 | \$4,007,470,538.18 | \$4,281,711,055.45 | \$4,509,708,127.31 | \$4,801,328,634.89 | \$5,090,824,852.84 |

¹ Beginning on July 1, 1995, the maximum amount of motor vehicle use tax collections available for transfer to the EPC fund was increased from \$15 million to \$17 million.

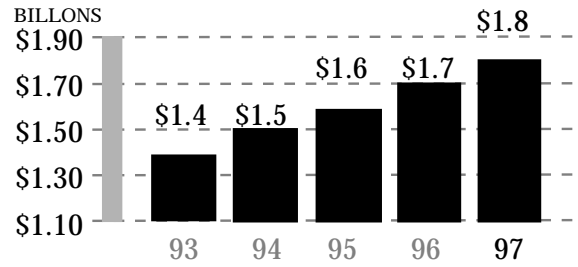
FIVE-YEAR TREND

FY 93-97 Gross Collections

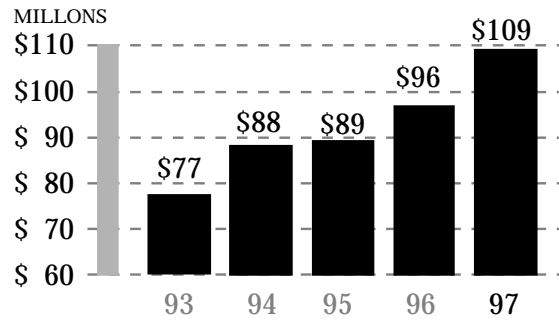
Income



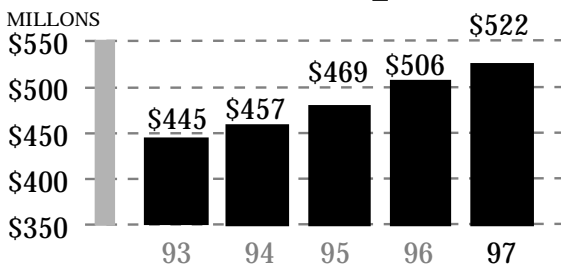
Sales/Use



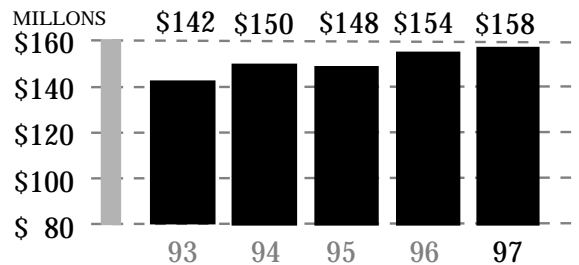
Inheritance and Estate



Consumption



Miscellaneous



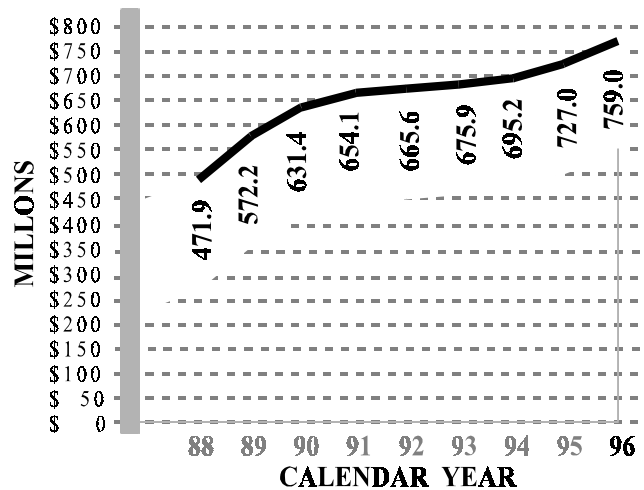
PAYROLL FACTS AND FIGURES

Calendar Year 1996

The following information excludes Board of Regents institutions and the Department of Transportation.

| | |
|--|-----------------|
| Net payroll checks issued in 1996 | \$375.2 Million |
| Average number of employees paid per pay period through centralized payroll | 20,112 |
| Average percentage of full-time employees utilizing direct deposit for deposit of paycheck | 78.0 % |
| Total payroll costs for centralized payroll in 1996 (includes all state shares) | \$758.7 Million |

TOTAL PAYROLL COST



Total payroll costs include the following state contributions:

| | |
|----------------------------------|----------------|
| State share FICA | \$44.2 Million |
| State share IPERS | 33.2 Million |
| State share Police Retirement | 4.5 Million |
| State share Health Insurance | 46.1 Million |
| State share Dental Insurance | 2.4 Million |
| State share Life Insurance | 0.29 Million |
| State share Disability Insurance | 1.6 Million |

Accounting for these state share disbursements, as well as mandatory and discretionary employee deductions totaling \$251.2 million, is the responsibility of the Centralized Payroll Section.

HOTEL/MOTEL TAX DISTRIBUTIONS

Fiscal Year 1997

| | | | |
|------------------|--------------|-----------------|------------------------|
| Altoona | \$278,638.37 | Iowa City | 465,669.50 |
| Ames | 561,756.27 | Iowa County | 261,385.04 |
| Ankeny | 234,166.70 | Johnston | 179,310.22 |
| Arnolds Park | 62,374.73 | Keokuk | 98,415.39 |
| Bellevue | 2,888.59 | Marion | 105,274.85 |
| Bettendorf | 740,557.28 | Marshalltown | 159,936.30 |
| Boone | 54,323.53 | Mason City | 193,903.91 |
| Burlington | 335,490.67 | McGregor | 9,236.39 |
| Cedar Falls | 255,640.25 | Missouri Valley | 12,152.95 |
| Cedar Rapids | 1,762,057.39 | Mt. Pleasant | 66,956.02 |
| Clear Lake | 176,850.56 | Muscatine | 262,634.47 |
| Clinton | 150,652.80 | Newton | 185,994.05 |
| Clive | 955,250.41 | Okoboji | 144,083.16 |
| Coralville | 825,516.03 | Ottumwa | 172,588.86 |
| Council Bluffs | 850,538.56 | Pella | 81,979.23 |
| Davenport | 1,449,730.01 | Polk County | 248,244.31 |
| Decorah | 89,639.54 | Sergeant Bluff | 27,743.45 |
| Des Moines | 2,908,221.08 | Sioux Center | 4,508.34 |
| De Witt | 5,758.41 | Sioux City | 784,389.65 |
| Dickinson County | 35,768.94 | Spirit Lake | 63,331.93 |
| Dubuque | 784,220.11 | Story City | 34,403.88 |
| Dyersville | 30,528.30 | Urbandale | 519,386.19 |
| Elkhorn | 192.00 | Wahpeton | 22,945.14 |
| Fort Dodge | 186,769.60 | Waterloo | 577,784.25 |
| Fort Madison | 88,796.30 | West Des Moines | 728,087.45 |
| Grinnell | 44,379.72 | Williamsburg | 51,386.40 |
| Guttenberg | 10,158.38 | Windsor Heights | 19,910.69 |
| Indianola | 39,250.25 | | |
| | | TOTAL | \$18,411,446.95 |

LOCAL OPTION SALES TAX DISTRIBUTION

Calendar Year 1996

| | | | | | | | |
|--------------------------|---------------------|-----------------------|--------------------|-------------------------|--------------------|----------------------|--------------------|
| Waukon | \$298,244 | Marcus | \$37,452 | Burlington | \$2,651,271 | Hamburg | 37,731 |
| Lansing | 38,505 | Aurelia | 30,795 | Mediapolis | 143,262 | Sidney | 36,271 |
| Postville | 125,290 | Cleghorn | 8,100 | West Burlington | 317,732 | Tabor | 25,764 |
| New Albin | 19,582 | Larabee | 4,589 | Middletown | 31,468 | Farragut | 14,430 |
| Harpers Ferry | 20,498 | Meriden | 5,266 | Danville | 83,317 | Imogene | 2,438 |
| Waterville | 8,743 | Washta | 7,381 | Unincorporated | 1,154,585 | Randolph | 6,721 |
| Total Allamakee | \$510,862 | Total Cherokee | \$93,583 | Total Des Moines | \$4,381,635 | Riverton | 9,193 |
| | | | | | | Thurman | 6,557 |
| Waterloo | \$6,059,476 | Elkader | \$59,495 | Dubuque | \$5,466,849 | Unincorporated | 144,703 |
| Cedar Falls | 2,800,923 | Guttenberg | 89,238 | Cascade | 122,608 | Shenandoah | 113,249 |
| Evansdale | 349,394 | Monona | 58,349 | Dyersville | 318,595 | Total Fremont | \$397,057 |
| Elk Run Heights | 83,141 | Strawberry Point | 51,470 | Epworth | 107,231 | | |
| Hudson | 163,402 | Edgewood | 15,178 | Farley | 115,618 | Garner | \$161,013 |
| La Porte City | 170,520 | Garnavillo | 29,315 | Asbury | 165,794 | Kanawha | 42,389 |
| Dunkerton | 59,207 | Marquette | 18,238 | Balltown | 5,676 | Klemme | 32,626 |
| Janesville | 16,792 | McGregor | 30,766 | Bankston | 2,619 | Corwith | 17,746 |
| Gilbertville | 58,892 | Elkport | 2,848 | Bernard | 10,040 | Crystal Lake | 12,624 |
| Raymond | 46,783 | Farmersburg | 10,701 | Centralia | 9,204 | Goodell | 9,296 |
| Unincorporated | 1,829,724 | Garber | 4,023 | Graf | 5,254 | Woden | 12,494 |
| Total Black Hawk | \$11,638,254 | Littleport | 3,044 | Holy Cross | 24,447 | Total Hancock | \$288,188 |
| | | Luana | 7,085 | Luxemburg | 21,728 | | |
| Boone | \$657,506 | North Buena Vista | 4,982 | New Vienna | 32,220 | Iowa Falls | 246,336 |
| Madrid | 115,813 | Saint Olaf | 4,867 | Peosta | 10,679 | Eldora | 132,638 |
| Ogden | 90,338 | Volga | 10,988 | Sageville | 21,551 | Alden | 37,097 |
| Beaver | 2,315 | Millville | 1,069 | Sherrill | 11,185 | Hubbard | 33,685 |
| Berkley | 1,717 | Unincorporated | 427,670 | Worthington | 37,664 | Radcliffe | 23,029 |
| Boxholm | 10,435 | Total Clayton | \$829,326 | Zwingle | 6,612 | Buckeye | 4,464 |
| Fraser | 5,390 | | | Rickardsville | 14,800 | Steamboat | 14,358 |
| Luther | 7,300 | Clinton | \$2,329,318 | Unincorporated | 2,106,919 | Unincorporated | 313,625 |
| Pilot Mound | 8,998 | Dewitt | 342,059 | Total Dubuque | \$8,617,293 | Total Hardin | 805,232 |
| Sheldahl | 1,709 | Camanche | 338,821 | | | | |
| Unincorporated | 534,667 | Delmar | 38,433 | Oelwein | \$320,481 | Mt. Pleasant | \$346,876 |
| Total Boone | \$1,436,188 | Grand Mound | 42,985 | Fayette | 58,302 | New London | 80,843 |
| | | Lost Nation | 33,341 | West Union | 117,915 | Wayland | 37,132 |
| Lamont | \$22,523 | Wheatland | 50,380 | Arlington | 21,085 | Winfield | 43,901 |
| Aurora | 9,643 | Andover | 6,766 | Clermont | 22,886 | Coppock | 1,312 |
| Stanley | 5,694 | Calamus | 27,453 | Elgin | 27,765 | Hillsboro | 6,839 |
| Total Buchanan | \$37,860 | Charlotte | 24,740 | Hawkeye | 20,104 | Mt. Union | 5,815 |
| | | Goose Lake | 15,110 | Maynard | 22,986 | Olds | 8,584 |
| Storm Lake | \$521,040 | Low Moor | 19,291 | Randalia | 3,575 | Rome | 4,800 |
| Alta | 98,371 | Toronto | 8,877 | St. Lucas | 7,390 | Salem | 17,593 |
| Albert City | 47,280 | Welton | 12,552 | Wadena | 9,831 | Westwood | 4,530 |
| Marathon | 18,516 | Unincorporated | 1,046,910 | Waucoma | 11,912 | Unincorporated | 399,420 |
| Newell | 58,849 | Total Clinton | \$4,337,036 | Westgate | 8,965 | Total Henry | \$957,645 |
| Sioux Rapids | 44,137 | | | Unincorporated | 459,670 | | |
| Lakeside | 28,840 | Manchester | \$239,327 | Total Fayette | \$1,112,867 | Cresco | \$161,923 |
| Rembrandt | 11,513 | Earlville | 36,661 | | | Elma | 26,339 |
| Truesdale | 6,860 | Edgewood | 21,869 | Nora Springs | \$10,831 | Lime Springs | 18,502 |
| Linn Grove | 10,194 | Hopkinton | 32,122 | Rockford | 5,967 | Riceville | 16,318 |
| Unincorporated | 446,682 | Colesburg | 20,926 | Floyd | 2,486 | Chester | 6,722 |
| Total Buena Vista | \$1,292,282 | Delaware | 7,631 | Marble Rock | 2,718 | Protivin | 12,376 |
| | | Delhi | 22,097 | Rudd | 3,081 | Unincorporated | 241,960 |
| Mason City | \$2,912,145 | Dundee | 7,359 | Total Floyd | 25,083 | Total Howard | \$484,140 |
| Clear Lake | 808,802 | Dyersville | 28,508 | | | | |
| Ventura | 55,901 | Greeley | 12,442 | Hampton | \$28,961 | Marengo | \$196,376 |
| Rockwell | 96,398 | Masonville | 5,841 | Sheffield | 33,351 | North English | 78,077 |
| Dougherty | 9,779 | Ryan | 17,569 | Dows | 5,863 | Williamsburg | 210,535 |
| Meservey | 26,860 | Unincorporated | 501,268 | Coulter | 7,070 | Victor | 76,041 |
| Plymouth | 40,408 | Total Delaware | \$953,620 | Geneva | 4,714 | Ladora | 25,589 |
| Rock Falls | 13,602 | | | Hansell | 2,438 | Millersburg | 15,223 |
| Swaledale | 18,073 | | | Latimer | 12,270 | Parnell | 17,088 |
| Thornton | 41,293 | | | Popejoy | 553 | Unincorporated | 884,295 |
| Unincorporated | 1,129,313 | | | Unincorporated | 42,378 | Total Iowa | \$1,503,224 |
| Total Cerro Gordo | \$5,152,574 | | | Total Franklin | \$137,598 | | |

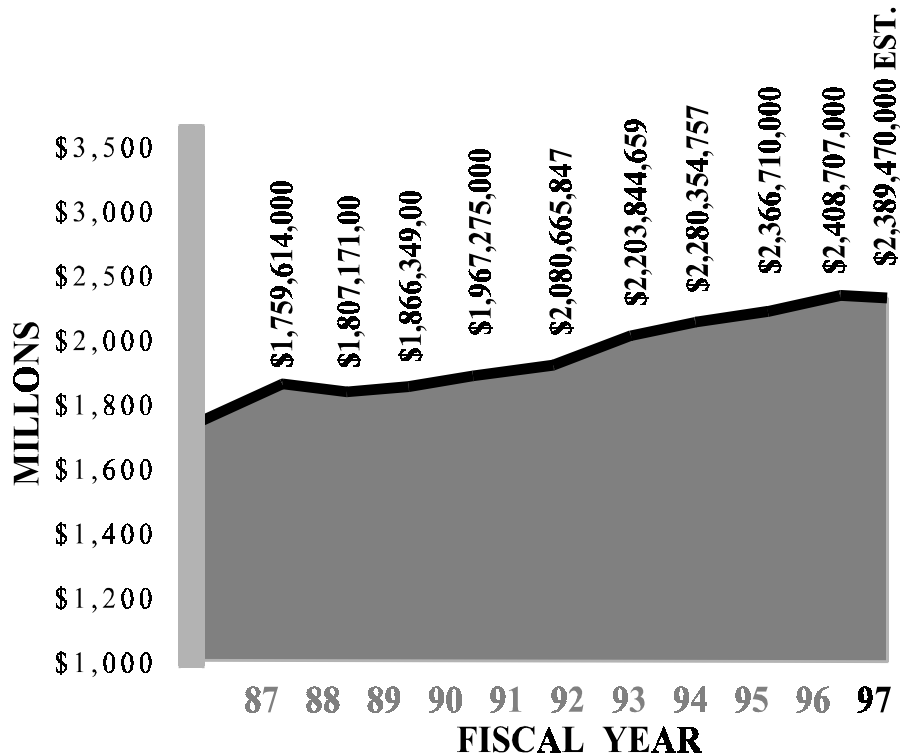
LOCAL OPTION SALES TAX DISTRIBUTION

Calendar Year 1996

| | | | | | | | |
|----------------------|--------------------|-------------------------|--------------------|----------------------------|---------------------|-------------------------|----------------------|
| Maquoketa | \$302,744 | Malvern | \$31,227 | Clarinda | \$117,060 | Hawarden | \$130,679 |
| Bellevue | 111,596 | Emerson | 11,502 | Shenandoah | 275,039 | Alton | 56,936 |
| Preston | 48,309 | Tabor | 5,936 | Essex | 42,023 | Hull | 93,316 |
| Sabula | 32,286 | Henderson | 4,979 | Blanchard | 2,853 | Orange City | 263,234 |
| Andrew | 14,454 | Total Mills | \$53,644 | Braddyville | 9,175 | Rock Valley | 64,231 |
| Baldwin | 6,124 | Osage | \$150,305 | Coin | 11,657 | Sioux Center | 257,942 |
| Lamotte | 14,034 | St. Ansgar | 47,672 | College Springs | 9,653 | Boyden | 34,322 |
| Miles | 19,683 | Riceville | 23,024 | Hepburn | 779 | Hospers | 16,008 |
| Monmouth | 7,475 | Stacyville | 20,010 | Northboro | 1,502 | Ireton | 31,467 |
| Spragueville | 5,345 | Carpenter | 4,238 | Shambaugh | 7,740 | Chatsworth | 4,745 |
| Springbrook | 7,588 | McIntire | 5,978 | Yorktown | 4,097 | Granville | 15,200 |
| Zwingle | 636 | Mitchell | 6,812 | Unincorporated | 125,783 | Matlock | 4,553 |
| St. Donatus | 6,436 | Orchard | 3,669 | Total Page | \$607,361 | Maurice | 11,956 |
| Unincorporated | 512,516 | Unincorporated | 273,339 | Polk City | \$162,831 | Sheldon | 30,779 |
| Total Jackson | \$1,089,226 | Total Mitchell | \$535,047 | Sheldahl | 10,427 | Unincorporated | 642,004 |
| Monticello | \$207,326 | Onawa | \$134,505 | Total Polk | \$173,258 | Total Sioux | \$1,657,372 |
| Cascade | 30,910 | Mapleton | 58,278 | Council Bluffs | \$4,609,173 | Ames | \$3,671,185 |
| Olin | 36,022 | Ute | 17,339 | Avoca | 114,644 | Nevada | 476,707 |
| Oxford Junction | 30,594 | Whiting | 31,160 | Carter Lake | 243,792 | Story City | 222,193 |
| Wyoming | 35,285 | Blencoe | 11,082 | Oakland | 109,701 | Cambridge | 50,105 |
| Center Junction | 8,335 | Castana | 6,718 | Carson | 53,504 | Colo | 56,224 |
| Morley | 4,174 | Moorhead | 11,122 | Neola | 67,159 | Maxwell | 56,097 |
| Onslow | 10,810 | Rodney | 3,054 | Walnut | 66,437 | Roland | 75,777 |
| Total Jones | \$363,456 | Soldier | 8,731 | Crescent | 31,411 | Slater | 97,821 |
| Fort Madison | \$942,363 | Turin | 3,956 | Hancock | 15,235 | Zearing | 43,597 |
| Keokuk | 1,023,838 | Unincorporated | 247,218 | Macedonia | 19,511 | Collins | 33,497 |
| Donnellson | 67,681 | Total Monona | \$533,163 | McClelland | 10,121 | Gilbert | 58,874 |
| Montrose | 67,196 | Villisca | \$47,482 | Minden | 40,761 | Kelley | 18,317 |
| West Point | 76,023 | Stanton | 23,930 | Treynor | 71,079 | Huxley | 148,968 |
| Franklin | 10,141 | Coburg | 1,683 | Underwood | 38,734 | McCallsburg | 21,742 |
| St. Paul | 8,813 | Elliott | 14,268 | Unincorporated | 1,837,285 | Sheldahl | 12,182 |
| Houghton | 10,758 | Grant | 3,162 | Total Pottawattamie | \$7,328,547 | Unincorporated | 1,139,962 |
| Unincorporated | 1,132,714 | Total Montgomery | \$90,525 | Davenport | \$10,287,720 | Total Story | \$6,183,248 |
| Total Lee | \$3,339,527 | Muscatine | \$1,765,416 | Bettendorf | 2,835,942 | Decorah | \$505,452 |
| Bertram | \$63,557 | West Liberty | 220,758 | Buffalo | 136,533 | Calmar | 61,579 |
| Total Linn | \$63,557 | Wilton | 191,186 | LeClaire | 275,773 | Ossian | 49,627 |
| Rock Rapid | \$16,431 | Atalissa | 23,363 | Blue Grass | 118,594 | Castalia | 9,991 |
| George | 6,550 | Conesville | 22,085 | Eldridge | 351,911 | Ft. Atkinson | 20,305 |
| Doon | 2,823 | Nichols | 24,722 | Princeton | 86,181 | Jackson Junction | 4,920 |
| Inwood | 5,032 | Stockton | 12,537 | Walcott | 136,850 | Ridgeway | 16,155 |
| Little Rock | 2,907 | Durant | 14,066 | Dixon | 21,376 | Spillville | 22,310 |
| Alvord | 1,191 | Fruitland | 33,748 | Donahue | 30,521 | Unincorporated | 752,517 |
| Lester | 1,514 | Unincorporated | 1,008,926 | Long Grove | 55,972 | Total Winneshiek | \$1,442,856 |
| Unincorporated | 43,233 | Total Muscatine | \$3,316,807 | Maysville | 16,096 | Sioux City | \$7,802,364 |
| Total Lyon | 79,681 | Sheldon | \$239,533 | McCausland | 29,820 | Moville | 108,662 |
| Oskaloosa | \$593,405 | Paulina | 53,881 | New Liberty | 12,199 | Anthon | 54,450 |
| Eddyville | 12,715 | Primgar | 42,093 | Panorama Park | 11,941 | Correctionville | 74,824 |
| New Sharon | 55,815 | Sanborn | 60,397 | Riverdale | 71,948 | Danbury | 37,013 |
| Beacon | 23,236 | Sutherland | 31,331 | Unincorporated | 2,723,788 | Sergeant Bluff | 231,658 |
| University Park | 29,548 | Archer | 6,361 | Total Scott | \$17,203,165 | Sloan | 79,955 |
| Barnes City | 9,854 | Calumet | 7,071 | | | Cushing | 20,116 |
| Fremont | 36,315 | Unincorporated | 275,344 | | | Hornick | 19,077 |
| Leighton | 6,957 | Total O'Brien | \$716,011 | | | Lawton | 40,715 |
| Rose Hill | 8,168 | | | | | Oto | 9,869 |
| Koemah Village | 4,921 | | | | | Pierson | 29,721 |
| Unincorporated | 520,187 | | | | | Salix | 30,438 |
| Total Mahaska | \$1,301,121 | | | | | Smithland | 20,681 |
| | | | | | | Bronson | 17,598 |
| | | | | | | Unincorporated | 1,590,489 |
| | | | | | | Total Woodbury | \$10,167,630 |
| | | | | | | TOTAL | \$101,236,749 |

PROPERTY TAXES

A 10-Year Comparison



FY 97 Property Tax Levied By Type of Taxing Authority
Total: \$2,389,470,000 (estimated)

| | | |
|---------------------|------------------------|--|
| K-12 Schools | \$1,063,363,000 | |
| Counties | \$ 556,855 | |
| Cities | \$ 622,376 (est.) | |
| Merged Areas | \$ 45,989,000 | |
| Hospitals | \$ 42,661,000 | |
| Assessors | \$ 29,738,000 | |
| All Others | \$ 28,488,000 | |

LOCAL GOVERNMENT SERVICES

FY 97 Assistance Programs

| PROGRAM | DESCRIPTION | ELIGIBILITY | FILING REQUIREMENTS |
|---|---|--|---|
| <i>FY 97 Payments</i> | | | |
| Homestead Credit \$93,573,219 | Originally adopted to provide property tax relief and to encourage home ownership. The current credit is equal to the actual levy on the first \$4,850 of actual value. | Must own and occupy the property as a homestead on July 1 of each year, declare residency in Iowa for income tax purposes and occupy the property for at least six months each year. Persons in the military or nursing homes who would otherwise qualify are also eligible. | Claim must be filed on or before July 1 of the first year for which the credit is claimed. Claims filed July 2 through December 31 are considered a claim filed the following year. Claim is allowed for successive years without further filing as long as eligible. |
| Disabled and Senior Citizens Property Tax Credit \$9,997,125.54 | Incorporated into the Homestead Tax Law to provide additional relief to the elderly and persons with disabilities. Provides assistance for qualifying renters. | Must be 65 or older, surviving spouse 55 on or before Dec. 31, 1988, or totally disabled. Must have been a resident of Iowa during the entire preceding year and have household income of less than \$14,000. | A property owner must file a claim with the county treasurer by June 1 preceding the fiscal year in which the property taxes are due. Renters must file with the Department of Revenue and Finance by October 31 to claim reimbursement for the prior calendar year. |
| Mobile Home Credit \$89,958.00 | Enacted as a supplement to the Disabled and Senior Citizens Property Tax Credit. The objective is to provide mobile home owners with equivalent aid. | Must be 23 or older. Household income must be less than \$14,000. | On or before June 1 of each year, each mobile home owner eligible for a reduced rate may file a claim for such tax rate with the county treasurer. |
| Special Assessment Credit \$24,676.91 | Established in conjunction with the Disabled and Senior Citizens Property Tax Credit. The credit gives 100 percent assistance to qualified individuals who are required to pay special assessments. | Requirements parallel those for the disabled and senior citizens credit. | The claimant must file a claim with the county treasurer by September 30 of each year. |

Local Government Services, continued

| PROGRAM <i>FY 97 Payments</i> | DESCRIPTION | ELIGIBILITY | FILING REQUIREMENTS |
|--|--|--|--|
| Pollution Control Exemption <i>exemption only</i> | Provides an exemption for certain pollution control equipment after the construction or installation is completed. | New installations or existing property if installed after September 23, 1970. Exemption is limited to market value of property. | Application must be filed no later than February 1 of the first year for which the exemption is requested. |
| Impoundment Structures Exemption <i>exemption only</i> | Provides an exemption for impoundment structures and land underlying an impoundment located outside any incorporated city or town. | Not developed or used directly or indirectly for nonagricultural income-producing purposes. | Persons owning such structures must apply to the assessor each year before July 1. |
| Low-Rent Housing Exemption <i>exemption only</i> | Provides an exemption for low-rent housing until the original housing development mortgage is paid in full or expires. | Property owned and operated by a nonprofit organization providing low-rent housing for the elderly and the physically and mentally disabled. | Must file with the assessor no later than July 1. The claim is allowed on the property for successive years without further filing as long as the property is used for purposes specified in the original claim. |
| Ag Land Credit \$29,089,723.87 | Credit established to partially offset the school tax burden borne by agricultural real estate. Current law allows a credit for any school general fund tax in excess of \$5.40 per \$1,000 of assessed value. | All land used for agricultural or horticultural purposes in tracts of 10 acres or more. Buildings or other structures are excluded. | Land owners are not required to file a claim. The county auditor determines the amount of credit applicable to each taxpayer. |
| Machinery and Equipment Reimbursement \$6,894,501.48 | Counties will be reimbursed by the state for lost revenue resulting from the phase-out and exemption of the tax on machinery, equipment and computers. | Replacement is equal to the difference between the assessed value of computers and industrial machinery and equipment as of January 1 or the previous calendar year and the assessed value of such property as of January 1, 1994, multiplied by the tax levy rate for that fiscal year. | County auditors are given until September 1 to file the replacement claims. |

Local Government Services, continued

| PROGRAM | DESCRIPTION | ELIGIBILITY | FILING REQUIREMENTS |
|---|--|---|---|
| <i>FY 97 Payments</i> | | | |
| Family Farm Credit \$9,998,470.31 | Credit established to partially offset the school tax burden borne by agricultural real estate. Current law allows a credit for any school general fund tax in excess of \$5.40 per \$1,000 of assessed value. | All land used for agricultural or horticultural purposes in tracts of 10 acres or more. Buildings or other structures are excluded. | Claims filed between July 1 and October 15. |
| Recreational Lakes, Forest Covers, Rivers and Streams, River and Stream Banks and Open Prairies exemption only | Provides an exemption as designated by the board of supervisors for the county in which the property is located. | Property not used for economic gain. | Application must be filed with the commissioner of the soil conservation district in which the property is located by April 15 of the assessment year. |
| Forest and Fruit Tree Reservations exemption only | Provides an exemption to any person who establishes a forest or fruit tree reservation. | Forest Reserve: Minimum of two acres, contain not less than 200 trees per acre, not used for economic gain other than raising trees. Fruit tree: Not less than one nor more than 10 acres. Exemption for 8 years. | Application filed with assessor between January 1 and April 15 of the year for which the exemption is first claimed. |
| Property Tax Replacement Replaces: Municipal Assistance, County Assistance, Liquor, Personal Property Monies and Credit \$56,287,557.00 | Provides a form of revenue sharing and payment for property tax not collected to local jurisdictions. | Varies with type of program. | None |
| Military Exemption \$2,782,723.87 | Serves to reduce the taxable value of property for military veterans who served on active duty during specified wartime periods. | The amount of exemption varies according to the wartime period of active duty. | A qualified veteran must file a claim with the local assessor by July 1 of the first year eligible. Subsequent claims need not be filed on the same property. |

IOWA TAX DESCRIPTIONS

As of July 1997

| TAX | RATE OF TAX <i>FY 97 Collections</i> | DESCRIPTION | DISTRIBUTION OF FUNDS | DUE DATES OF RETURNS |
|--|---|--|---|--|
| Cigarette Tax | 36¢ per package of 20 45¢ per package of 25 \$94,565,821.68 | The tax is imposed on the sale of cigarettes and must be paid by the person making the first sale in Iowa. Tax payment is shown by a stamp affixed to each cigarette package. | State General Fund | Tax returns must be filed by the holder of a state or manufacturer's permit by the 10th day of each month for the preceding calendar month. |
| Corporate Income Tax | 6% on first \$25,000 8% on next \$75,000 10% on next \$150,000 12% on all over \$250,000 \$277,637,454.76 | The tax is imposed on the Iowa net income of corporations doing business within this state or receiving income from property in the state. For tax years on or after January 1, 1987, Iowa imposes an alternative minimum tax equal to 7.2% of Iowa tax preferences. For tax years on or after January 1, 1988, the tax is imposed on the unrelated business income of nonprofit corporations. | State General Fund | Corporation tax returns must be filed by the last day of the 4th month after the close of the tax year. Cooperatives must file a return on or before the 15th day of the 9th month following the close of the cooperative's tax year. Estimated tax payments are due from most corporations on a quarterly basis. Nonprofit corporation returns with unrelated business income are due on the 15th day of the 5th month following the close of the tax year. |
| Drug Stamp Tax | \$5/gram of processed marijuana \$750/unprocessed marijuana plant \$250/gram of other taxable substances \$400/10 doses if not sold by weight \$334,990.00 | Tax is imposed on dealers in possession of specified quantities of marijuana and other controlled substances. | State General Fund | Tax payment is required upon possession and must be evidenced by a stamp permanently affixed to the taxable substance. |
| Environmental Protection Charge | 1¢ per gallon of petroleum products deposited in qualifying tanks \$18,595,102.55 | The EPC is imposed on all deposits of petroleum products into non-exempt underground and non-exempt aboveground storage tanks in Iowa. | Iowa Comprehensive Petroleum Underground Storage Tank Fund | EPC returns must be postmarked by the last day of the month following the close of each quarter. |

Iowa Tax Descriptions, continued

| TAX | RATE OF TAX <i>FY 97 Collections</i> | DESCRIPTION | DISTRIBUTION OF FUNDS | DUE DATES OF RETURNS |
|---|--|---|---|---|
| Franchise Tax | 5% of taxable income \$35,642,954.14 | Tax is imposed on the income of state banks, national banking associations, trust companies, federally and state chartered savings and loan associations, financial institutions chartered by the Federal Home Loan Bank Board and production credit associations. For tax years on or after January 1, 1987, Iowa imposes an alternative minimum tax equal to 3% of Iowa tax preferences. | All Franchise Tax is deposited in the State General Fund and \$8.8 million is returned to local governments on a quarterly basis as follows: 40% to counties, 60% to cities and towns. | Franchise tax returns must be filed by the last day of the 4th month after the close of the tax year. Estimated payments are due from most financial institutions on a quarterly basis. |
| Hotel/Motel Tax | May not exceed 7% \$18,411,446.95 | Hotel/motel tax is imposed on the gross receipts from the renting of hotel or motel rooms for 31 consecutive days or less. | Local transient guest tax fund, with disbursement to the local government imposing the tax | Hotel/motel tax returns and tax are submitted with quarterly sales tax returns and are due the last day of the month following the end of each calendar quarter. |
| Individual Income Tax | .4% on first \$1,112 .8% on second \$1,112 2.7% on next \$2,224 5.0% on next \$5,560 6.8% on next \$6,672 7.2% on next \$5,560 7.55% on next \$11,120 8.8% on next \$16,680 9.98% on all over \$50,040 \$2,153,261,764.25 | Tax is imposed on Iowa net income of individuals and estates and trusts. Individuals who have a net income of \$9,000 or more must file an Iowa income tax return. Taxpayers with a combined income of \$13,500 or less (\$9,000 or less for single taxpayers) are generally not required to pay Iowa income tax. Individuals may also be subject to the minimum tax on tax preferences and a tax on lump sum distributions from pension plans. | State General Fund | The final return and any tax owing is due by the last day of the 4th month following the close of the tax year. Individuals may be required to remit estimated tax payments quarterly. Income tax is also collected through withholding tax. Depending on the amount of tax withheld, withholding tax deposits are due annually, quarterly, monthly or semimonthly. |
| Individual Income School District Surtax | Not to exceed 20% of state income tax liability. Rate is different for each school district. \$27,579,076.00 <i>Calendar 1997, preliminary</i> | Upon voter approval, school districts may initiate educational improvement programs where school boards may raise an additional portion of the state cost per pupil. This enrichment amount is raised through a surtax (not to exceed 20% of state income tax liability) and through an accompanying property tax. | Local school district imposing the tax | Tax is collected with the individual income tax return. Returns are due the last day of the 4th month following the end of the tax year. |

Iowa Tax Descriptions, continued

| TAX | RATE OF TAX | DESCRIPTION | DISTRIBUTION OF FUNDS | DUE DATES OF RETURNS |
|-------------------------------------|--|---|--|---|
| Inheritance and Estate Taxes | <p>Inheritance Tax: From 1% to 15% dependent upon the amount of the inheritance and the relationship of the recipient to the decedent.</p> <p>Estate Tax: Amount by which the allowable federal credit for state death taxes exceeds the inheritance tax due from the estate.</p> <p style="text-align: right;">\$109,347,222.31</p> | <p>This tax is imposed on any person other than a surviving spouse who becomes beneficially entitled to any property or interest by any method of transfer.</p> <p>Administrators, executors, referees and trustees of estate transfers which are taxable may also be liable for such taxes.</p> | State General Fund | <p>In most instances, the return must be filed and tax paid on or before the last day of the 9th month after the death of the decedent.</p> |
| Insurance Premium Tax | <p>2% of the adjusted gross amount of premiums, assessments and fees received during the preceding calendar year.</p> <p style="text-align: right;">\$105,957,053.86</p> | <p>This tax is administered by the Commerce Department, with the Department of Revenue and Finance serving as a depositing agency for the tax receipts. The tax is imposed on the premiums of every insurance company except fraternal beneficiary associations.</p> | State General Fund | <p>Premium tax reports from all insurers are to be filed before March 1 of each year.</p> <p>Prepayment of taxes equal to one-half of the prior year's taxes is due June 1.</p> |
| Local Option Sales Tax | <p>Not more than 1%.</p> <p style="text-align: right;">\$101,236,749.00</p> <p><i>Calendar Year 1996 Distributions</i></p> | <p>Tax is imposed by counties either countywide or in incorporated or unincorporated areas. Under very special circumstances it may also be imposed by a city. With a few exceptions, it is imposed on sales and services taxed under state sales tax provisions. There is no corresponding local option use tax.</p> | <p>To local sales and service tax fund with disbursement to local jurisdictions at least quarterly</p> | <p>Local option sales tax is due at the same time as the state sales tax is due.</p> |
| Motor Vehicle Fuel Tax | <p>Gasoline 20¢/gal. Ethanol Blended Gasoline 19¢/gal. Aviation Gasoline 8¢/gal. Special Fuel (diesel) 22.5¢/gal. Special Fuel (LPG) 20¢/gal. Special Fuel (aviation) 3¢/gal. Compressed Nat. Gas 16¢/100 ft.³</p> <p style="text-align: right;">\$422,102,503.92</p> | <p>Tax is imposed on each gallon of motor vehicle fuel sold in Iowa for use on Iowa highways. Motor vehicle fuel includes gasoline, diesel fuel, liquified petroleum gas, compressed natural gas, aviation fuel and ethanol blended gasoline.</p> | <p>Road Use Tax Fund</p> <p>Aviation fuel tax receipts deposited in state aviation fund</p> <p>Tax receipts from motor fuel used in watercraft deposited in marine fuel tax fund</p> | <p>Tax returns are required to be filed by the licensee no later than the last day of the month following the month in which the fuel was withdrawn from the terminal or, in the case of LPG or CNG, placed into the fuel supply tank of a motor vehicle. Importers are required to file semimonthly.</p> |

Iowa Tax Descriptions, continued

| TAX | RATE OF TAX <i>FY 97 Collections</i> | DESCRIPTION | DISTRIBUTION OF FUNDS | DUE DATES OF RETURNS |
|---|--|--|---|---|
| Motor Vehicle Lease Tax | 5 percent use tax on the lease price of certain vehicles \$6,894,501.00 | Effective January 1, 1997, the tax is imposed on the lease price of a vehicle subject to registration, that is not a motorcycle or motorized bicycle, with a gross vehicle weight rating of less than 16,000 pounds and leased for a period of 12 months or more by a lessor licensed under Iowa Code chapter 321F. | Road Use Tax Fund | Tax is reported and paid by the owner of the vehicle to the county treasurer or Department of Transportation at the time of registering or titling the vehicle. If this is not required, the tax must be paid to the Department of Revenue and Finance on or before 15 days from the last day of the month that the tax became due. |
| Property Tax Levied - Prior to Credits | Differs in each locality and is a composite of county, city, school district and special levies. Taxes are levied in terms of dollars per \$1,000 of taxable value and are collected locally. \$2,389,470.00.00 <i>estimated</i> | Property tax is levied on the taxable value of real property. The taxable value may be a percentage of the assessed value as a result of statewide limitations for allowable growth. The assessed value is 100% of market value, except for (1) agricultural realty (assessed according to its productivity) and (2) computers and industrial machinery and equipment, which when first assessed prior to 1-1-95 is assessed at 30 percent of net acquisition cost; first assessed after 1-1-95: exempt. | Local jurisdictions | The tax may be paid in two installments, the first of which becomes delinquent on October 1 and the second of which becomes delinquent on April 1. |
| Real Estate Transfer Tax | 80¢ for each \$500 or fractional part of \$500 in excess of \$500 paid for the real property transferred. \$8,338,561.31 | The tax is imposed on the transfer of real estate. Tax payment is noted on the instrument of transfer at the time the instrument is recorded. | 17.25% of the tax receipts are retained by the county. Of the remaining 82.75%, 95% goes in the State General Fund, 5% in the Housing Improvement Fund. | Tax is payable when the deed or other instrument conveying the real property is presented for recording. Tax returns must be filed by the county recorder by the 10th day of each month for tax collected during the preceding month. |
| State Sales Tax | 5% \$1,370,975,491.20 | The tax is imposed on gross receipts from all sales of tangible personal property and enumerated services. Certain exceptions are provided, including exemption of the sales of certain foods, prescription drugs, medical devices, and farm and industrial machinery, equipment and computers. | State General Fund | Depending on the amount of tax collected, a deposit and returns are due annually, quarterly, monthly or semi-monthly. |

Iowa Tax Descriptions, continued

| TAX | RATE OF TAX <i>FY 97 Collections</i> | DESCRIPTION | DISTRIBUTION OF FUNDS | DUE DATES OF RETURNS |
|---------------------------------|--|---|--|---|
| Tobacco Products Tax | 22% of the wholesale sales price \$5,710,584.68 | Tax is imposed on the wholesale sales price of all tobacco products except cigarettes and little cigars. | State General Fund | Distributors are required to file tax returns by the 20th day of each month for the preceding calendar month. |
| Use Tax | 5% \$422,637,334.42 | Use tax includes: (1) The 5% excise tax collected by out-of-state based firms making sales of tangible personal property or certain services purchased for use in Iowa. (2) The 5% excise tax on goods or services purchased tax free by consumers and subsequently used in Iowa. (3) The 5% excise tax collected by Iowa county treasurers or the Iowa Department of Transportation on vehicles subject to registration. | Revenue derived from use tax on vehicles subject to registration is deposited in various special funds. The remainder is credited to the State General Fund. | (1) Returns from out-of-state firms must be filed on or before the last day of the month following the close of the calendar quarter. Retail use tax permit holders collecting more than \$1,500 per month are required to file on a monthly basis. (2) Returns for goods and services purchased tax free must be filed on or before the last day of the month following the close of the calendar quarter. (3) Reports and remittance from county treasurers on vehicles subject to registration must be filed on or before the 10th day of the month following the month of collection. |

HISTORY OF IOWA TAX RATES

The first major state tax in Iowa was created in 1921 when the state passed a 2¢ per package tax on cigarettes. In 1934 the sales and income taxes were created as property tax relief measures. Since that time several significant changes have occurred, both in the tax base and in the tax rates of Iowa's major revenue sources.

While certain changes in a particular tax base may be of equal or greater importance than changes in the tax rate, the history of the key developments in a particular tax may often be identified through an examination of tax rate changes. Additional information regarding these changes may be obtained by contacting the Internal Resource Management Division of the Iowa Department of Revenue and Finance.

Individual Income Tax

| | | | | | |
|-------------|-----------------|--------------|-------------|-----------------|--------------|
| 1934 | tax enacted at | 1% – 5% | 1967 | rate changed to | .75% – 5.25% |
| 1953 | rate changed to | .75% – 3.75% | 1971 | rate changed to | .75% – 7% |
| 1955 | rate changed to | .8% – 4% | 1975 | rate changed to | .5% – 13% |
| 1957 | rate changed to | .75% – 3.75% | 1987 | rate changed to | .4% – 9.98% |
| 1965 | rate changed to | .75% – 4.50% | 1998 | rate changed to | .36% – 8.98% |

Corporation Income Tax

| | | | | | |
|-------------|-----------------|----|-------------|-----------------|----------|
| 1934 | tax enacted at | 2% | 1965 | rate changed to | 4% |
| 1955 | rate changed to | 3% | 1967 | rate changed to | 4% – 8% |
| 1957 | rate changed to | 2% | 1971 | rate changed to | 6% – 10% |
| 1959 | rate changed to | 3% | 1981 | rate changed to | 6% – 12% |

Sales and Use Tax

| | | | | | |
|-------------|----------------------|----|-------------|-----------------|------|
| 1934 | sales tax enacted at | 2% | 1955 | rate changed to | 2.5% |
| 1937 | use tax enacted at | 2% | 1957 | rate changed to | 2% |
| | | | 1967 | rate changed to | 3% |
| | | | 1983 | rate changed to | 4% |
| | | | 1992 | rate changed to | 5% |

Cigarette Tax

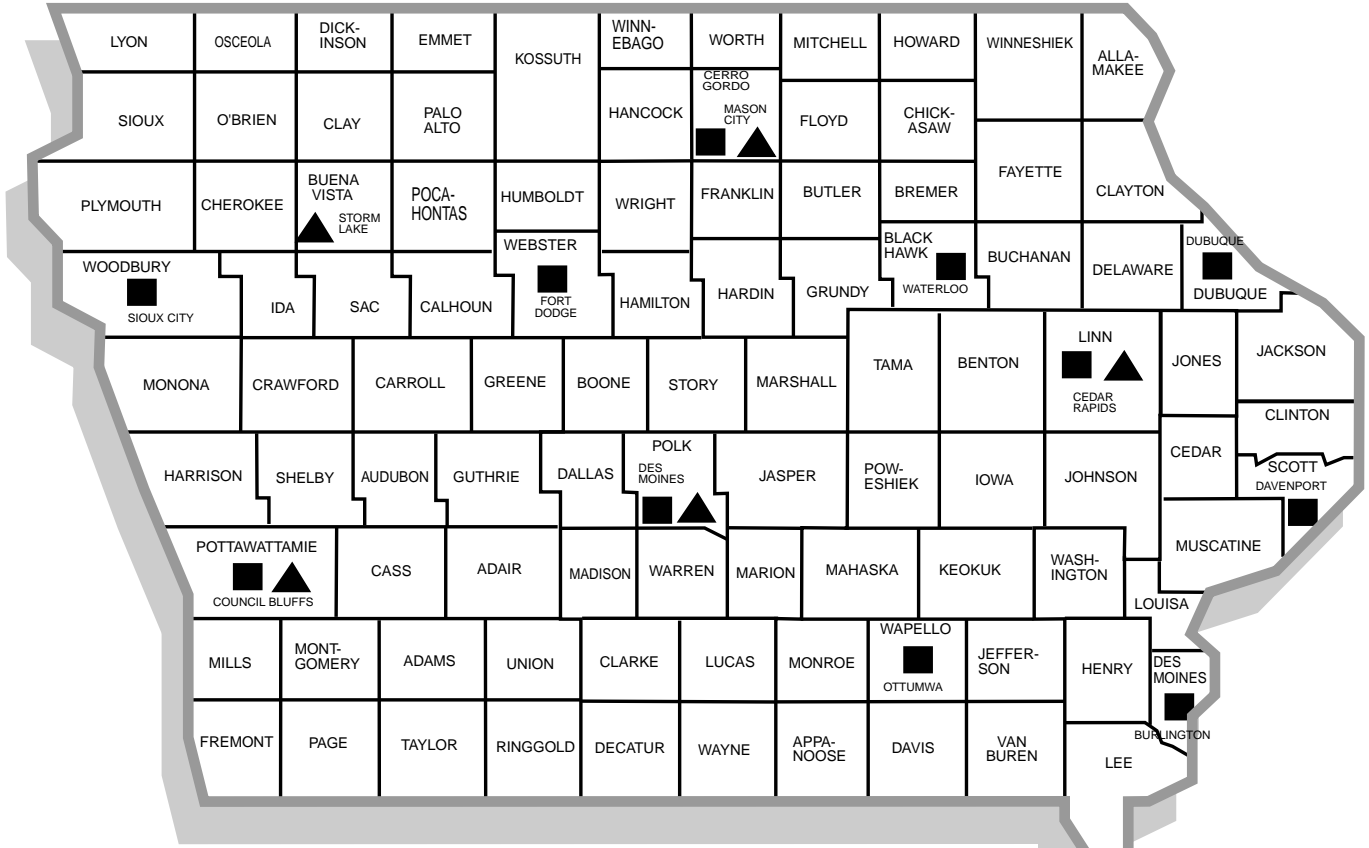
| | | | | | |
|-------------|-----------------|------------|-------------|-----------------|-----|
| 1921 | tax enacted at | 2¢/package | 1971 | rate changed to | 13¢ |
| 1953 | rate changed to | 3¢ | 1981 | rate changed to | 18¢ |
| 1959 | rate changed to | 4¢ | 1985 | rate changed to | 26¢ |
| 1963 | rate changed to | 5¢ | 1988 | rate changed to | 34¢ |
| 1965 | rate changed to | 8¢ | 1989 | rate changed to | 31¢ |
| 1967 | rate changed to | 10¢ | 1991 | rate changed to | 36¢ |


Motor Fuel / Diesel Fuel Tax

| | | | | | |
|-------------|-----------------|--|-------------|-----------------|----------------------|
| 1925 | tax enacted at | 2¢ / gal. gasoline 2¢ / gal. diesel | 1979 | rate changed to | 10¢ / 11.5¢ |
| 1943 | rate changed to | 3¢ / 3¢ | 1981 | rate changed to | 13¢ / 13.5¢ |
| 1945 | rate changed to | 4¢ / 4¢ | 1982 | rate changed to | 13¢ / 15.5¢ |
| 1953 | rate changed to | 5¢ / 5¢ | 1985 | rate changed to | 15¢ / 16.5¢ (July 1) |
| 1955 | rate changed to | 6¢ / 6¢ | 1986 | rate changed to | 16¢ / 17.5¢ (Jan. 1) |
| 1957 | rate changed to | 6¢ / 7¢ | 1987 | rate changed to | 16¢ / 18.5¢ |
| 1965 | rate changed to | 7¢ / 8¢ | 1988 | rate changed to | 18¢ / 20.5¢ |
| 1978 | rate changed to | 8.5¢ / 10¢ | 1989 | rate changed to | 20¢ / 22.5¢ |

FIELD OFFICES

Iowa Department of Revenue and Finance



 REVENUE OFFICES
 LOTTERY OFFICES

The Department also has out-of-state field auditors located in :

Georgia Illinois
 Kansas Minnesota
 New Jersey New York
 Ohio Pennsylvania
 Texas Washington

FOR MORE INFORMATION...

To receive forms and publications

by mail:

515/281-7239 or
800-532-1531 (Iowa only)

by fax:

800-572-3943

by Internet:

<http://www.state.ia.us/tax>

To receive publications and information

by (computer bulletin board):

515/281-3248 or 1-800-972-2028 (Iowa only)

To listen to pre-recorded tax information:

515/281-4170 or
800-351-4658

To check on the status of your Iowa income tax refund:

515/281-4966 or
800-572-3944 (Iowa, Omaha, and Rock Island/Moline only)

To access TDD for hearing impaired:

515/242-5942

To talk to a tax specialist:

515/281-3114 (out of state, Des Moines)
OR
800-367-3388 (Iowa, Omaha and Rock Island/Moline)

Taxpayer Services
Iowa Department of Revenue and Finance
PO Box 10457
Des Moines, Iowa 50306-0457

**78-508
FY97**