

FISCAL UPDATE Article

Fiscal Services Division

October 13, 2022



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

REVENUE ESTIMATING CONFERENCE — OCTOBER 2022

Revenue Estimate. The Revenue Estimating Conference (REC) met on October 13, 2022, and increased the estimated FY 2023 net General Fund receipts by \$399.6 million compared to the FY 2023 adjusted March estimate.

Fiscal Year 2023. The October REC estimate for FY 2023 net General Fund receipts, including transfers, totals \$9.534 billion, a decrease of \$269.3 million (-2.7%) compared to actual FY 2022. The estimated changes include a decrease of 4.3% in gross personal income tax, an increase of 3.0% in gross sales/use tax, and an increase of 6.8% in gross corporate income tax receipts. The following table provides additional detail for the FY 2023 revenue projection.

FY 2023 Revenue Estimating Conference Projection

Dollars in Millions

	Actual FY 2022	Adj. March FY 2023 Estimate	October FY 2023 Estimate	Change Compared to March	Change Compared to FY 2022 Actual	
Personal Income Tax	\$ 5,780.1	\$ 5,386.8	\$ 5,531.8	\$ 145.0	\$ -248.3	-4.3%
Sales/Use Tax	3,853.7	3,993.1	3,969.1	-24.0	115.4	3.0%
Corporate Tax	919.0	828.7	981.5	152.8	62.5	6.8%
Other Taxes	403.4	318.2	364.6	46.4	-38.8	-9.6%
Total Taxes	\$ 10,956.2	\$ 10,526.8	\$ 10,847.0	\$ 320.2	\$ -109.2	-1.0%
Other Receipts	364.5	337.5	326.0	-11.5	-38.5	-10.6%
Gross Tax and Receipts	\$ 11,320.7	\$ 10,864.3	\$ 11,173.0	\$ 308.7	\$ -147.7	-1.3%
Accruals (Net)	-47.2	15.0	43.0	28.0	90.2	
Refund (Accrual Basis)	-1,028.8	-1,237.2	-1,110.0	127.2	-81.2	7.9%
School Infrast. Refunds (Accrual)	-571.3	-635.5	-697.3	-61.8	-126.0	22.1%
Total Net Receipts	\$ 9,673.4	\$ 9,006.6	\$ 9,408.7	\$ 402.1	\$ -264.7	-2.7%
Transfers (Accrual Basis)	\$ 130.0	\$ 127.9	\$ 125.4	\$ -2.5	\$ -4.6	-3.5%
Net Receipts Plus Transfers	\$ 9,803.4	\$ 9,134.5	\$ 9,534.1	\$ 399.6	\$ -269.3	-2.7%

Fiscal Year 2024. The REC established an estimate of \$9.594 billion for FY 2024. This is an increase of \$60.2 million (0.6%) compared to the revised FY 2023 estimate. The estimated changes include a decrease of 6.0% in gross personal income tax, an increase of 5.4% in gross sales/use tax, and a decrease of 2.4% in gross corporate income tax receipts. The following table provides additional detail for the FY 2024 revenue projection.

FY 2024 Revenue Estimating Conference Projection

Dollars in Millions

	Actual FY 2022	October FY 2023 Estimate	October FY 2024 Estimate	Change Compared to FY 2023 Estimate	
Personal Income Tax	\$ 5,780.1	\$ 5,531.8	\$ 5,202.1	\$ -329.7	-6.0%
Sales/Use Tax	3,853.7	3,969.1	4,184.6	215.5	5.4%
Corporate Tax	919.0	981.5	957.5	-24.0	-2.4%
Other Taxes	403.4	364.6	345.2	-19.4	-5.3%
Total Taxes	\$ 10,956.2	\$ 10,847.0	\$ 10,689.4	\$ -157.6	-1.5%
Other Receipts	364.5	326.0	326.5	0.5	0.2%
Gross Tax and Receipts	\$ 11,320.7	\$ 11,173.0	\$ 11,015.9	\$ -157.1	-1.4%
Accruals (Net)	-47.2	43.0	38.3	-4.7	
Refund (Accrual Basis)	-1,028.8	-1,110.0	-912.0	198.0	-17.8%
School Infrast. Refunds (Accrual)	-571.3	-697.3	-677.3	20.0	-2.9%
Total Net Receipts	\$ 9,673.4	\$ 9,408.7	\$ 9,464.9	\$ 56.2	0.6%
Transfers (Accrual Basis)	\$ 130.0	\$ 125.4	\$ 129.4	\$ 4.0	3.2%
Net Receipts Plus Transfers	\$ 9,803.4	\$ 9,534.1	\$ 9,594.3	\$ 60.2	0.6%

Next Meeting. The next REC meeting will be held in December 2022. A detailed spreadsheet of the REC estimates is available on the Legislative Services Agency [website](#).

LSA Staff Contact: Maria Wagenhofer (515.281.5270) maria.wagenhofer@legis.iowa.gov
 Jeff W. Robinson (515.281.4614) jeff.robinson@legis.iowa.gov