

# FISCAL UPDATE Article

Fiscal Services Division

March 13, 2025



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

## REVENUE ESTIMATING CONFERENCE — MARCH 2025

**Revenue Estimate.** The Revenue Estimating Conference (REC) met on March 13, 2025, and decreased the estimated FY 2025 net General Fund receipts by \$19.0 million compared to the FY 2025 December estimate.

**Fiscal Year 2025.** The March REC estimate for FY 2025 net General Fund receipts, including transfers, totals \$9.135 billion, a decrease of \$621.2 million (-6.4%) compared to actual FY 2024. The estimated changes include an increase of 10.3% in gross personal income tax, an increase of 2.5% in gross sales/use tax, and a decrease of 11.9% in gross corporate income tax receipts. **Figure 1** provides additional detail for the FY 2025 revenue projection.

**Figure 1 — FY 2025 Revenue Estimating Conference Projection**

Dollars in Millions

	Actual FY 2024	December FY 2025 Estimate	March FY 2025 Estimate	Change Compared to December	Change Compared to FY 2024 Actual	
Personal Income Tax	\$ 4,993.2	\$ 5,533.5	\$ 5,508.8	\$ -24.7	\$ 515.6	10.3%
Sales/Use Tax	4,170.4	4,364.0	4,276.4	-87.6	106.0	2.5%
Corporate Tax	890.5	712.1	784.1	72.0	-106.4	-11.9%
Other Taxes	1,229.1	265.0	300.7	35.7	-928.4	-75.5%
Total Taxes	\$ 11,283.2	\$ 10,874.6	\$ 10,870.0	\$ -4.6	\$ -413.2	-3.7%
Other Receipts	495.7	414.2	436.6	22.4	-59.1	-11.9%
Gross Tax and Receipts	\$ 11,778.9	\$ 11,288.8	\$ 11,306.6	\$ 17.8	\$ -472.3	-4.0%
Accruals (Net)	92.7	-104.1	-101.7	2.4	-194.4	
Refund (Accrual Basis)	-1,581.2	-1,426.2	-1,483.5	-57.3	97.7	-6.2%
School Infrast. Refunds (Accrual)	-687.8	-713.9	-700.9	13.0	-13.1	1.9%
Total Net Receipts	\$ 9,602.6	\$ 9,044.6	\$ 9,020.5	\$ -24.1	\$ -582.1	-6.1%
Transfers (Accrual Basis)	\$ 153.2	\$ 109.0	\$ 114.1	\$ 5.1	\$ -39.1	-25.5%
<b>Net Receipts Plus Transfers</b>	<b>\$ 9,755.8</b>	<b>\$ 9,153.6</b>	<b>\$ 9,134.6</b>	<b>\$ -19.0</b>	<b>\$ -621.2</b>	<b>-6.4%</b>

**Fiscal Year 2026.** The REC estimate for FY 2026 net General Fund receipts, including transfers, totals \$8.508 billion. This is a decrease of \$626.7 million (-6.9%) compared to the FY 2025 estimate. The estimated changes include a decrease of 13.7% in gross personal income tax, an increase of 3.6% in gross sales/use tax, and an increase of 4.0% in gross corporate income tax receipts. **Figure 2** provides additional detail for the FY 2026 revenue projection.

## Figure 2 — FY 2026 Revenue Estimating Conference Projection

Dollars in Millions

	<b>Actual FY 2024</b>	<b>March FY 2025 Estimate</b>	<b>March FY 2026 Estimate</b>	<b>Change Compared to FY 2025 Estimate</b>	
Personal Income Tax	\$ 4,993.2	\$ 5,508.8	\$ 4,753.7	\$ -755.1	-13.7%
Sales/Use Tax	4,170.4	4,276.4	4,430.4	154.0	3.6%
Corporate Tax	890.5	784.1	815.8	31.7	4.0%
Other Taxes	1,229.1	300.7	148.8	-151.9	-50.5%
<b>Total Taxes</b>	<b>\$ 11,283.2</b>	<b>\$ 10,870.0</b>	<b>\$ 10,148.7</b>	<b>\$ -721.3</b>	<b>-6.6%</b>
Other Receipts	495.7	436.6	364.5	-72.1	-16.5%
<b>Gross Tax and Receipts</b>	<b>\$ 11,778.9</b>	<b>\$ 11,306.6</b>	<b>\$ 10,513.2</b>	<b>\$ -793.4</b>	<b>-7.0%</b>
Accruals (Net)	92.7	-101.7	-28.4	73.3	
Refund (Accrual Basis)	-1,581.2	-1,483.5	-1,378.6	104.9	-7.1%
School Infrast. Refunds (Accrual)	-687.8	-700.9	-726.1	-25.2	3.6%
<b>Total Net Receipts</b>	<b>\$ 9,602.6</b>	<b>\$ 9,020.5</b>	<b>\$ 8,380.1</b>	<b>\$ -640.4</b>	<b>-7.1%</b>
Transfers (Accrual Basis)	\$ 153.2	\$ 114.1	\$ 127.8	\$ 13.7	12.0%
<b>Net Receipts Plus Transfers</b>	<b>\$ 9,755.8</b>	<b>\$ 9,134.6</b>	<b>\$ 8,507.9</b>	<b>\$ -626.7</b>	<b>-6.9%</b>

**Next Meeting.** The next REC meeting will be held in October 2025. A detailed spreadsheet of the REC estimates is available on the Iowa Legislature [website](#).

LSA Staff Contacts: Evan Johnson (515.281.6301) [evan.johnson@legis.iowa.gov](mailto:evan.johnson@legis.iowa.gov)  
Eric Richardson (515.281.6767) [eric.richardson@legis.iowa.gov](mailto:eric.richardson@legis.iowa.gov)