

FISCAL UPDATE Article

Fiscal Services Division

March 13, 2026



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

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REVENUE ESTIMATING CONFERENCE — MARCH 2026

Revenue Estimate. The Revenue Estimating Conference (REC) met on March 12, 2026, and decreased the estimated FY 2026 net General Fund receipts by \$46.4 million compared to the FY 2026 December estimate.

Fiscal Year 2026. The March REC estimate for FY 2026 net General Fund receipts, including transfers, totals \$8.111 billion, a decrease of \$831.1 million (-9.3%) compared to actual FY 2025. The estimated changes include a decrease of 12.9% in gross personal income tax, an increase of 4.0% in gross sales/use tax, and a decrease of 22.9% in gross corporate income tax receipts. **Figure 1** provides additional detail for the FY 2026 revenue projection.

Figure 1 — FY 2026 Revenue Estimating Conference Projection
Dollars in Millions

	<u>Actual FY 2025</u>	<u>December FY 2026 Estimate</u>	<u>March FY 2026 Estimate</u>	<u>Change Compared to December</u>	<u>Change Compared to FY 2025 Actual</u>	
Personal Income Tax	\$ 4,947.5	\$ 4,380.0	\$ 4,307.5	\$ -72.5	\$ -640.0	-12.9%
Sales/Use Tax	4,234.9	4,402.0	4,402.8	0.8	167.9	4.0%
Corporate Tax	825.1	723.0	636.2	-86.8	-188.9	-22.9%
Other Taxes	703.4	383.2	390.0	6.8	-313.4	-44.6%
Total Taxes	<u>\$ 10,711.0</u>	<u>\$ 9,888.2</u>	<u>\$ 9,736.5</u>	<u>\$ -151.7</u>	<u>\$ -974.5</u>	<u>-9.1%</u>
Other Receipts	485.9	399.9	404.0	4.1	-81.9	-16.9%
Gross Tax and Receipts	<u>\$ 11,196.9</u>	<u>\$ 10,288.1</u>	<u>\$ 10,140.5</u>	<u>\$ -147.6</u>	<u>\$ -1,056.4</u>	<u>-9.4%</u>
Accruals (Net)	-196.1	15.4	10.0	-5.4	206.1	
Refund (Accrual Basis)	-1,481.1	-1,559.9	-1,440.1	119.8	41.0	-2.8%
School Infrast. Refunds (Accrual)	-694.1	-706.6	-722.0	-15.4	-27.9	4.0%
Total Net Receipts	<u>\$ 8,825.7</u>	<u>\$ 8,037.0</u>	<u>\$ 7,988.4</u>	<u>\$ -48.6</u>	<u>\$ -837.3</u>	<u>-9.5%</u>
Transfers (Accrual Basis)	\$ 116.5	\$ 120.5	\$ 122.7	\$ 2.2	\$ 6.2	5.3%
Net Receipts Plus Transfers	<u>\$ 8,942.2</u>	<u>\$ 8,157.5</u>	<u>\$ 8,111.1</u>	<u>\$ -46.4</u>	<u>\$ -831.1</u>	<u>-9.3%</u>

Fiscal Year 2027. The REC estimate for FY 2027 net General Fund receipts, including transfers, totals \$8.472 billion. This is an increase of \$360.5 million (4.4%) compared to the FY 2026 estimate. The estimated changes include an increase of 5.2% in gross personal income tax, an increase of 3.7% in gross sales/use tax, and an increase of 3.0% in gross corporate income tax receipts. **Figure 2** provides additional detail for the FY 2027 revenue projection.

Figure 2 — FY 2027 Revenue Estimating Conference Projection
Dollars in Millions

	Actual FY 2025	March FY 2026 Estimate	March FY 2027 Estimate	Change Compared to FY 2026 Estimate	
Personal Income Tax	\$ 4,947.5	\$ 4,307.5	\$ 4,531.5	\$ 224.0	5.2%
Sales/Use Tax	4,234.9	4,402.8	4,566.1	163.3	3.7%
Corporate Tax	825.1	636.2	655.3	19.1	3.0%
Other Taxes	703.4	390.0	378.6	-11.4	-2.9%
Total Taxes	\$ 10,711.0	\$ 9,736.5	\$ 10,131.5	\$ 395.0	4.1%
Other Receipts	485.9	404.0	392.6	-11.4	-2.8%
Gross Tax and Receipts	\$ 11,196.9	\$ 10,140.5	\$ 10,524.1	\$ 383.6	3.8%
Accruals (Net)	-196.1	10.0	13.4	3.4	
Refund (Accrual Basis)	-1,481.1	-1,440.1	-1,452.4	-12.3	0.9%
School Infrast. Refunds (Accrual)	-694.1	-722.0	-737.7	-15.7	2.2%
Total Net Receipts	\$ 8,825.7	\$ 7,988.4	\$ 8,347.4	\$ 359.0	4.5%
Transfers (Accrual Basis)	\$ 116.5	\$ 122.7	\$ 124.2	\$ 1.5	1.2%
Net Receipts Plus Transfers	\$ 8,942.2	\$ 8,111.1	\$ 8,471.6	\$ 360.5	4.4%

More Information. A detailed spreadsheet of the REC estimates is available on the [Iowa Legislature website](#).

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