

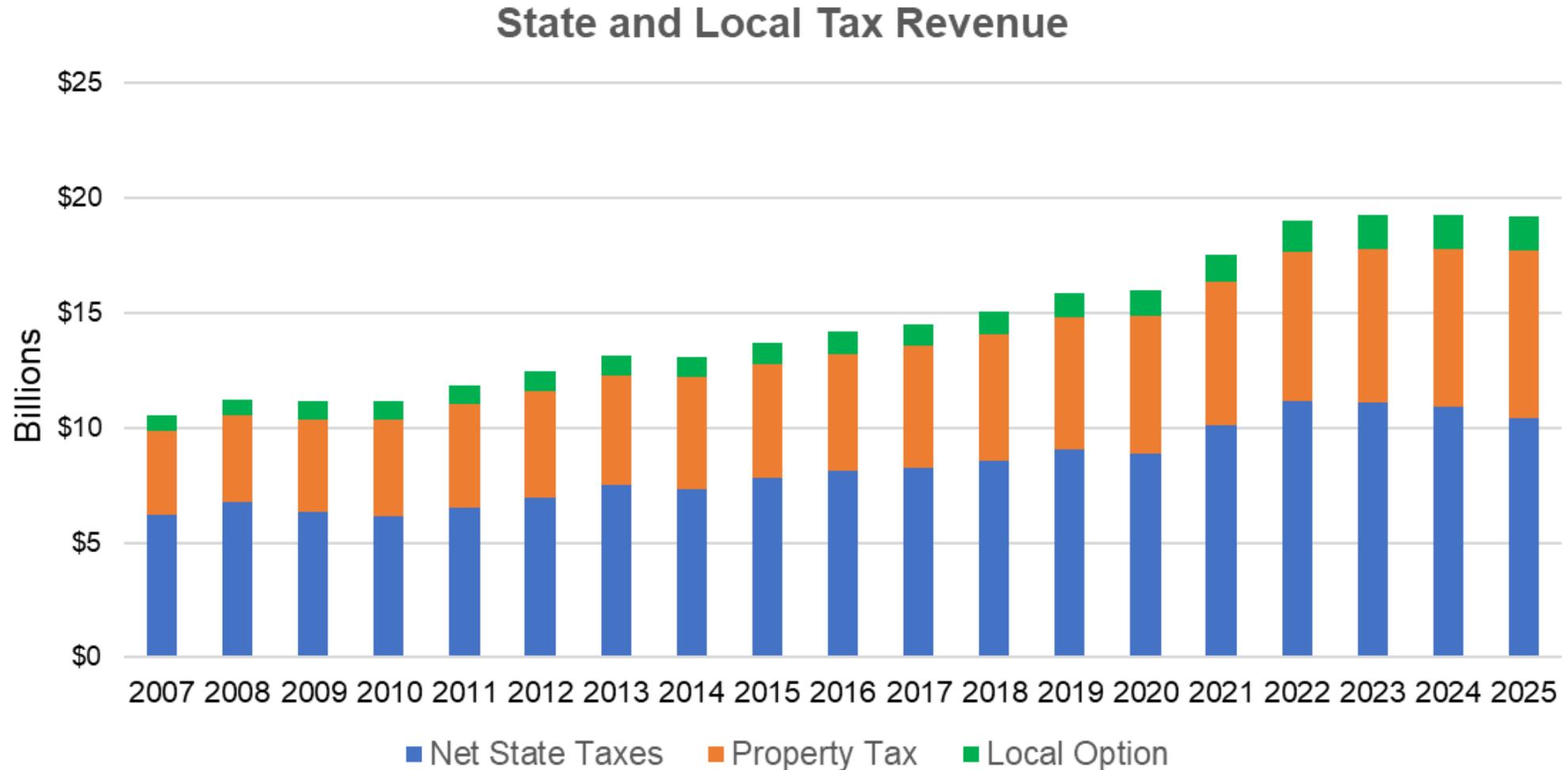
TAX REVENUE AND ECONOMIC CONDITIONS

Eric Richardson
Senior Fiscal Analyst

JANUARY 27, 2026

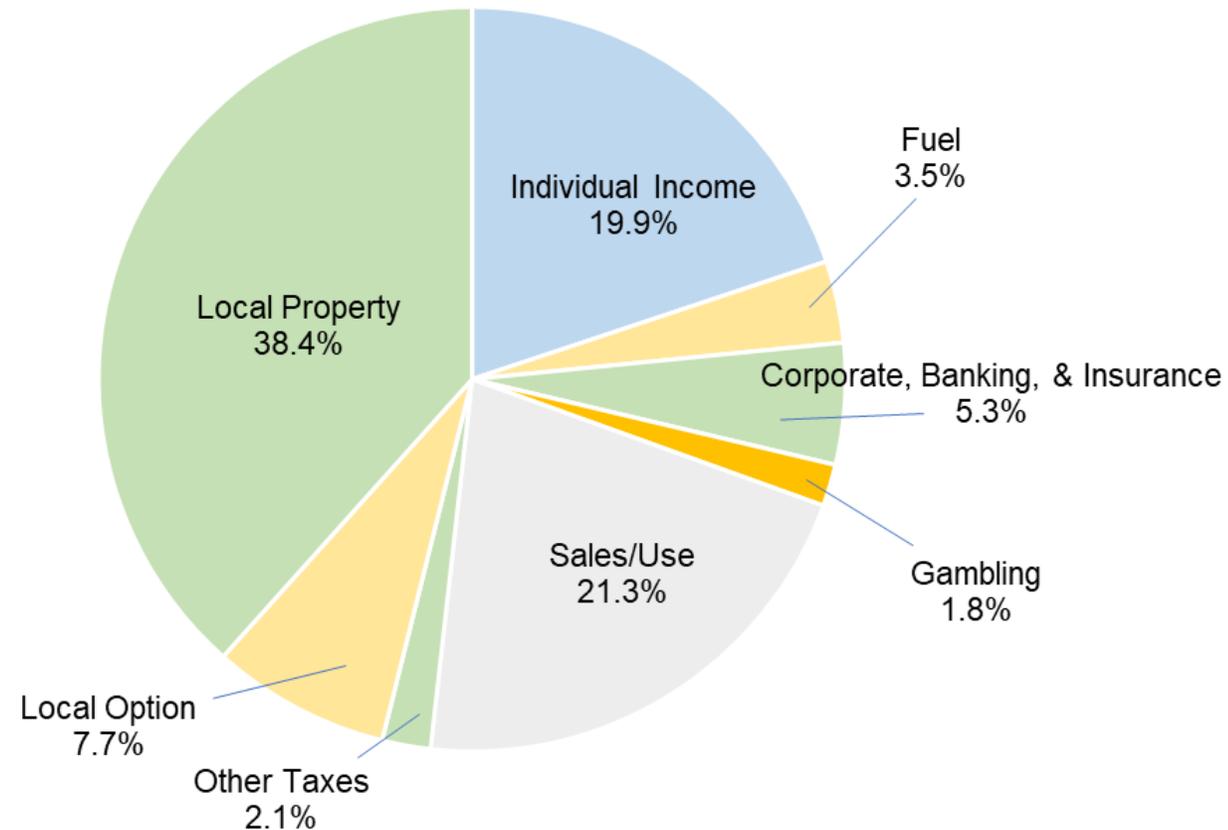
IOWA STATE AND LOCAL TAXES — INCLUDES STATE, LOCAL OPTION, AND PROPERTY TAXES

NOTE: Local Option includes the 1.0% sales tax dedicated to school infrastructure

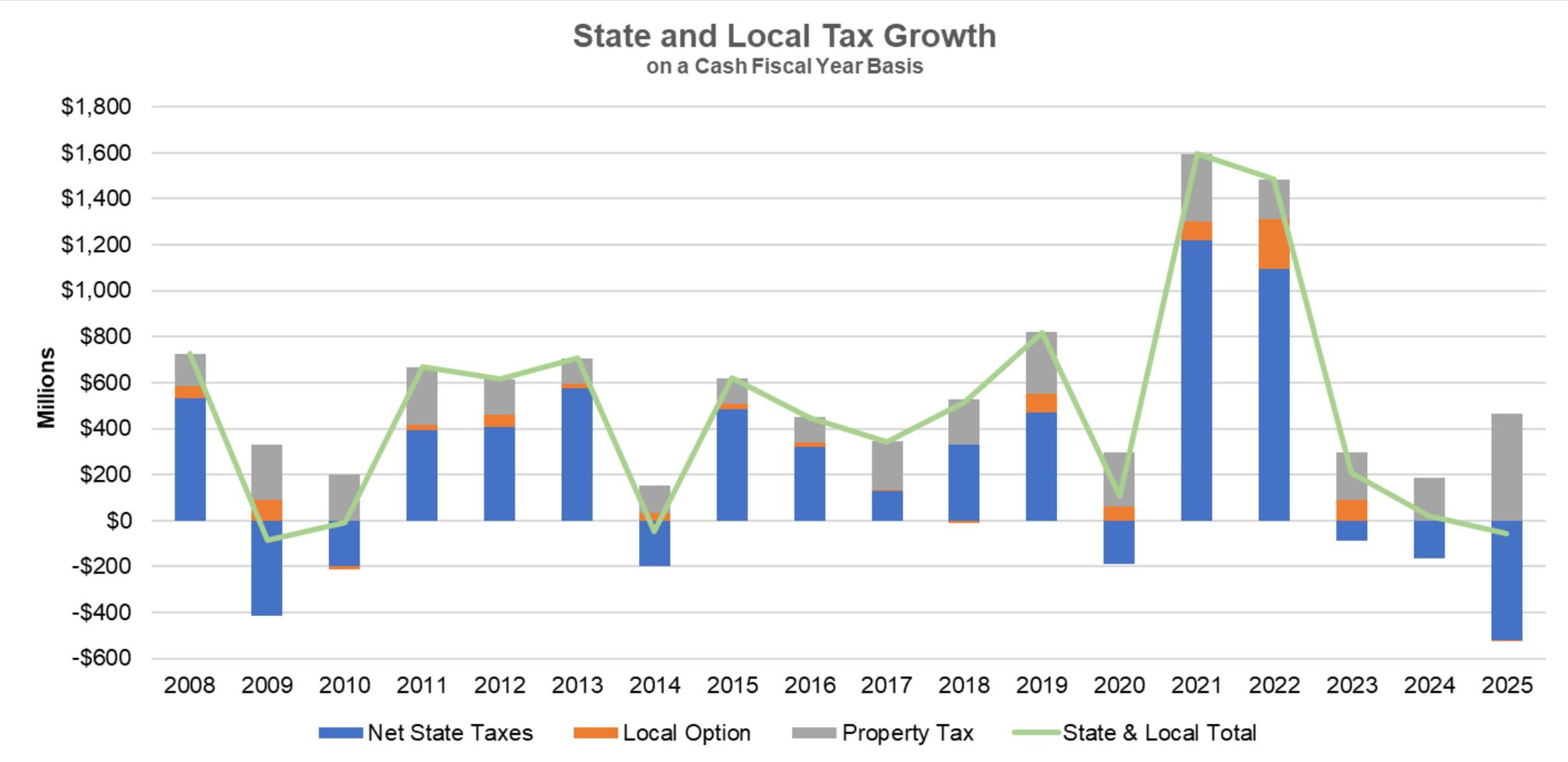


IOWA STATE AND LOCAL TAXES — INCLUDES STATE, LOCAL OPTION, AND PROPERTY TAXES

Fiscal Year 2025 Iowa Net State and Local Tax Revenue
Total = \$19.083 Billion



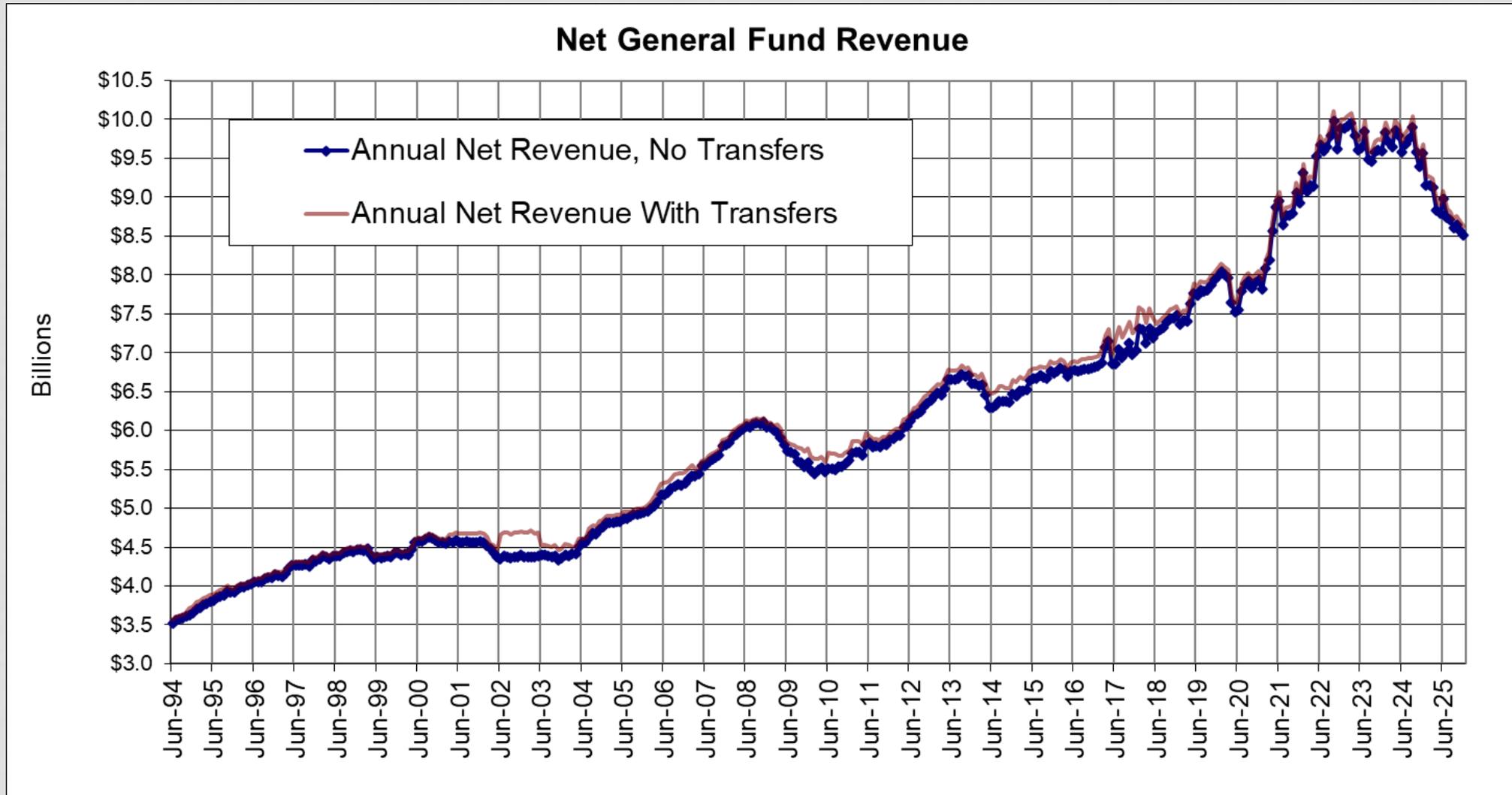
IOWA STATE AND LOCAL TAX GROWTH



REVENUE ESTIMATING CONFERENCE (REC)

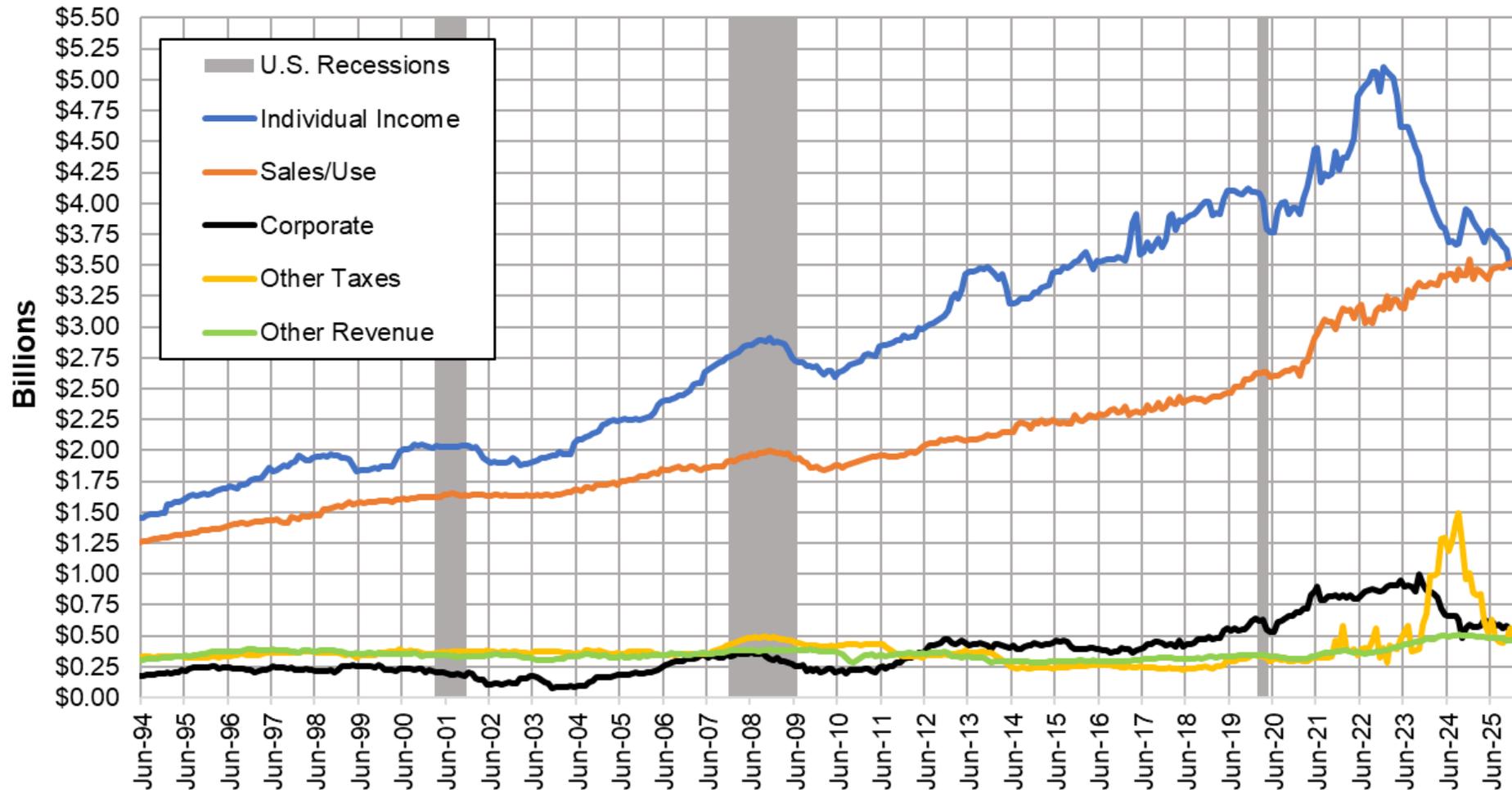
Revenue Estimating Conference Projections					
In Millions					
	Actual FY 2023	Actual FY 2024	Actual FY 2025	Estimated FY 2026	Estimated FY 2027
Income Tax	\$5,599.3	\$4,993.2	\$4,947.5	\$4,380.0	\$4,605.2
Sales/Use Tax	3,937.1	4,170.4	4,234.9	4,402.0	4,546.7
Corporate Tax	984.1	890.5	825.1	723.0	702.0
Insurance Tax	174.4	190.4	202.4	186.2	185.0
Other Taxes	389.4	1,038.7	501.1	197.0	170.7
Total Taxes	\$11,084.3	\$11,283.2	\$10,711.0	\$9,888.2	\$10,209.6
Other Receipts	428.8	495.7	485.9	399.9	392.8
Gross Tax & Other Receipts	\$11,513.1	\$11,778.9	\$11,196.9	\$10,288.1	\$10,602.4
Accruals (Net)	146.6	92.7	-196.1	15.4	9.2
Refund (Accrual Basis)	-1,230.3	-1,581.2	-1,481.1	-1,559.9	-1,514.4
Schl. Infr. Refunds (Accrual)	-708.1	-687.8	-694.1	-706.6	-720.7
Total Net Receipts	\$9,721.3	\$9,602.6	\$8,825.6	\$8,037.0	\$8,376.5
Transfers (Accrual Basis)	\$124.0	\$153.2	\$116.5	\$120.5	\$122.0
Net Receipts Plus Transfers	\$9,845.3	\$9,755.8	\$8,942.2	\$8,157.5	\$8,498.5
Year-Over-Year Incr./Decr.	\$41.9	\$-89.5	\$-813.6	\$-784.7	\$341.0
% Growth	0.4%	-0.9%	-8.3%	-8.8%	4.2%

GENERAL FUND REVENUE HISTORY

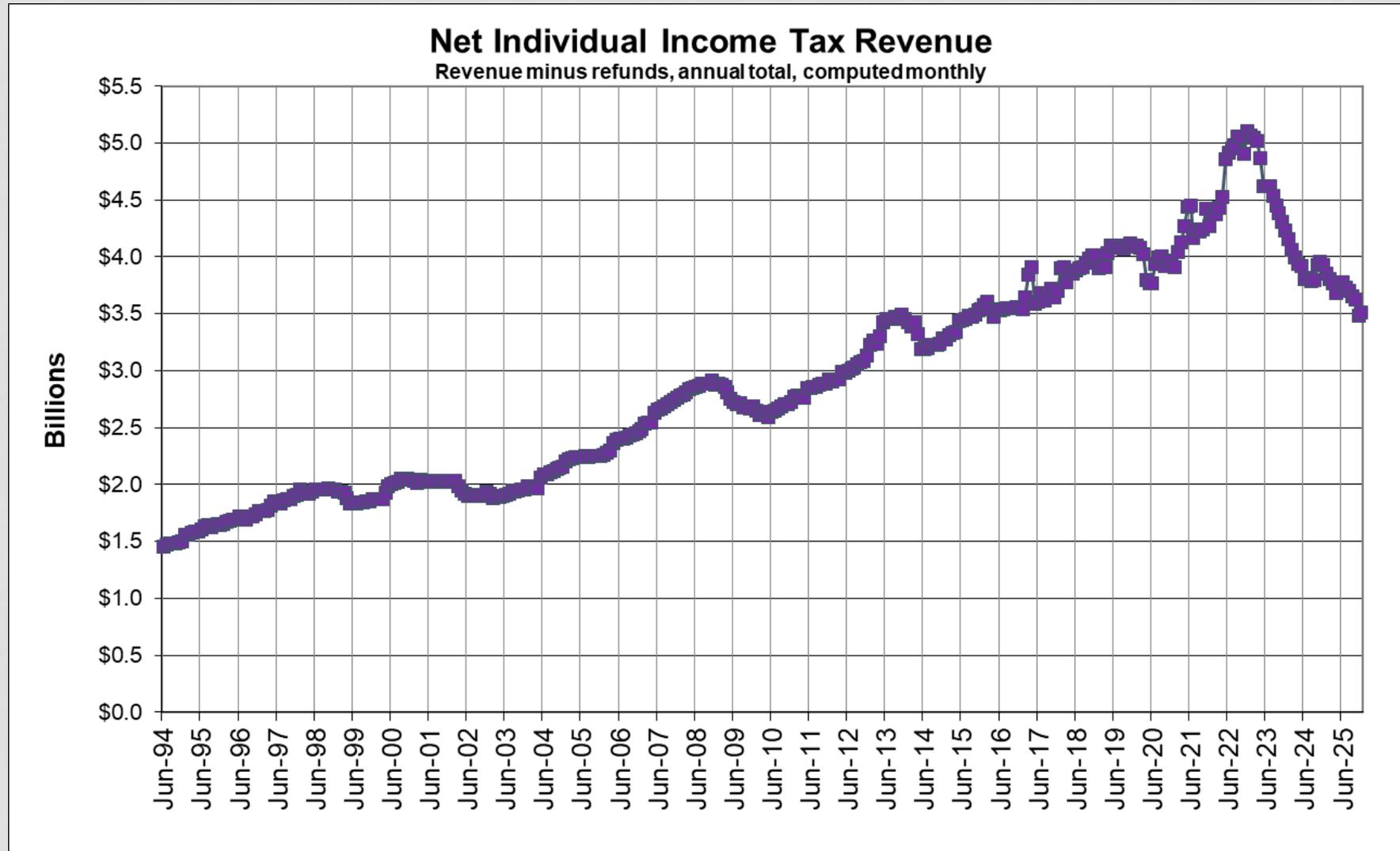


GENERAL FUND REVENUE HISTORY — REVENUE CATEGORIES

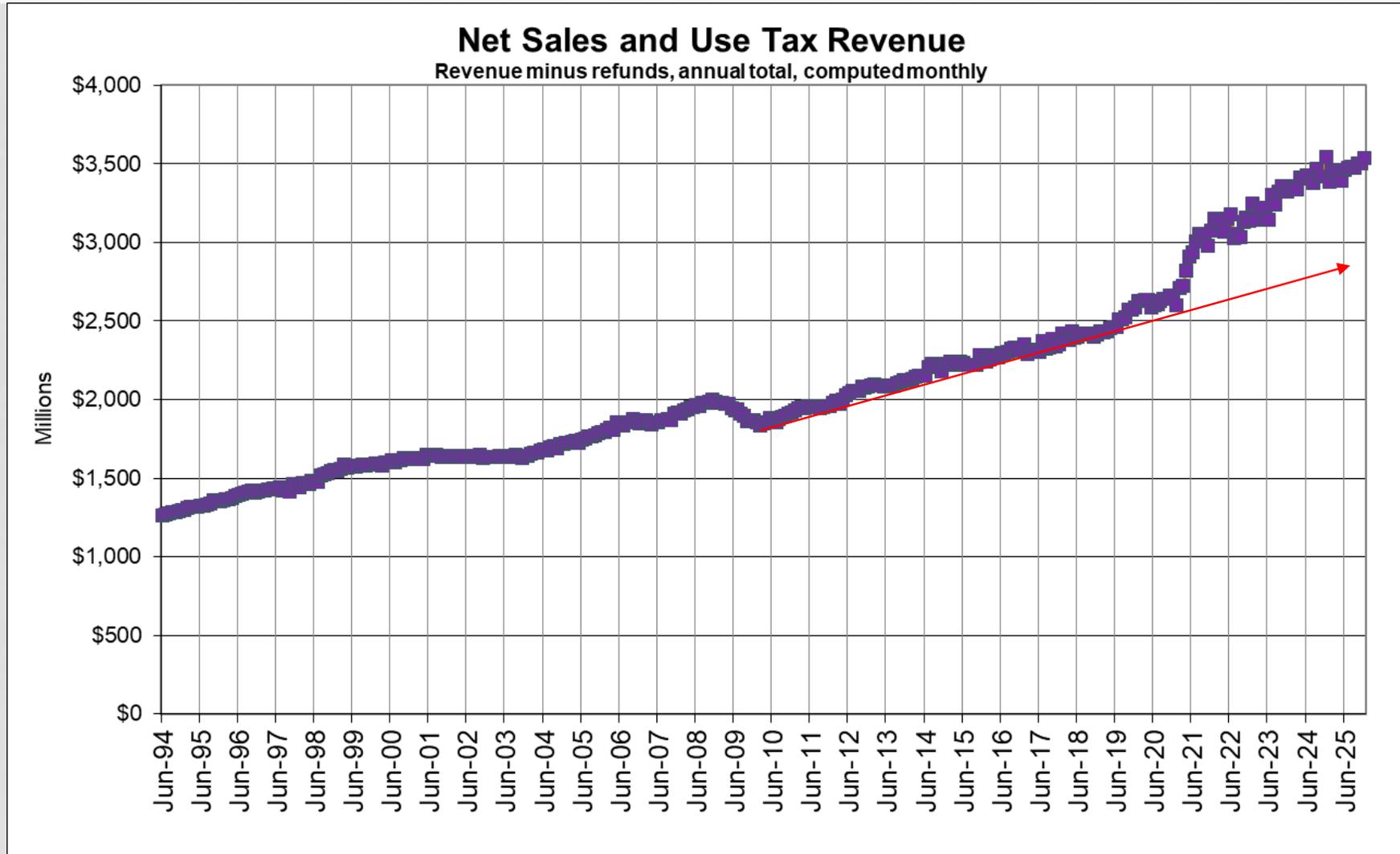
Net General Fund Revenue by Revenue Type



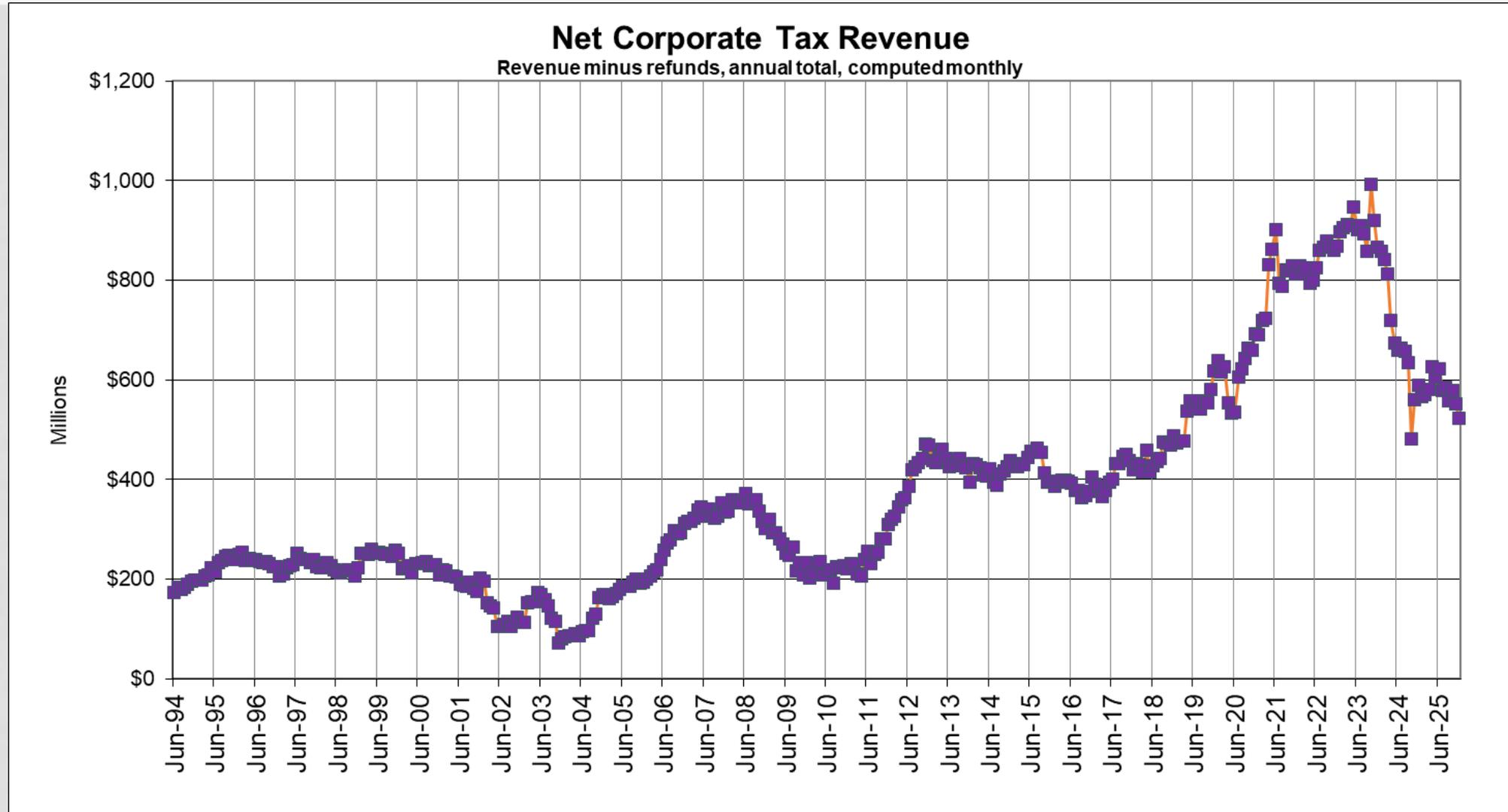
GENERAL FUND REVENUE HISTORY — INDIVIDUAL INCOME TAX



GENERAL FUND REVENUE HISTORY — SALES/USE TAX

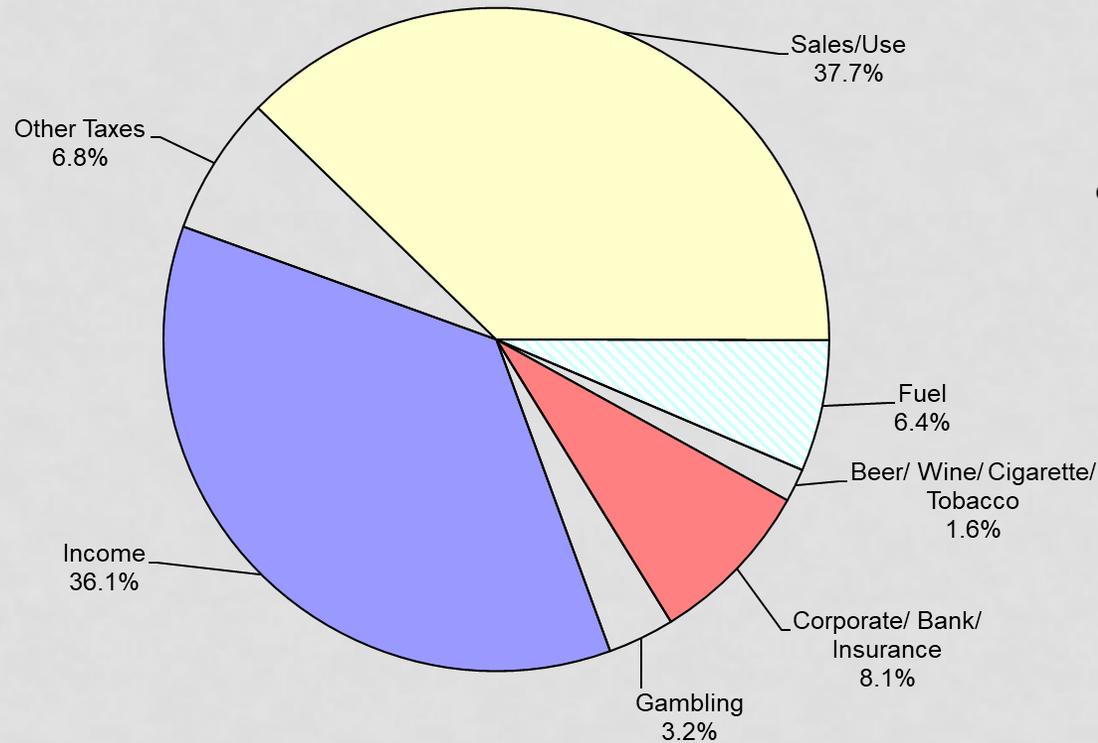


GENERAL FUND REVENUE HISTORY — CORPORATE INCOME TAX

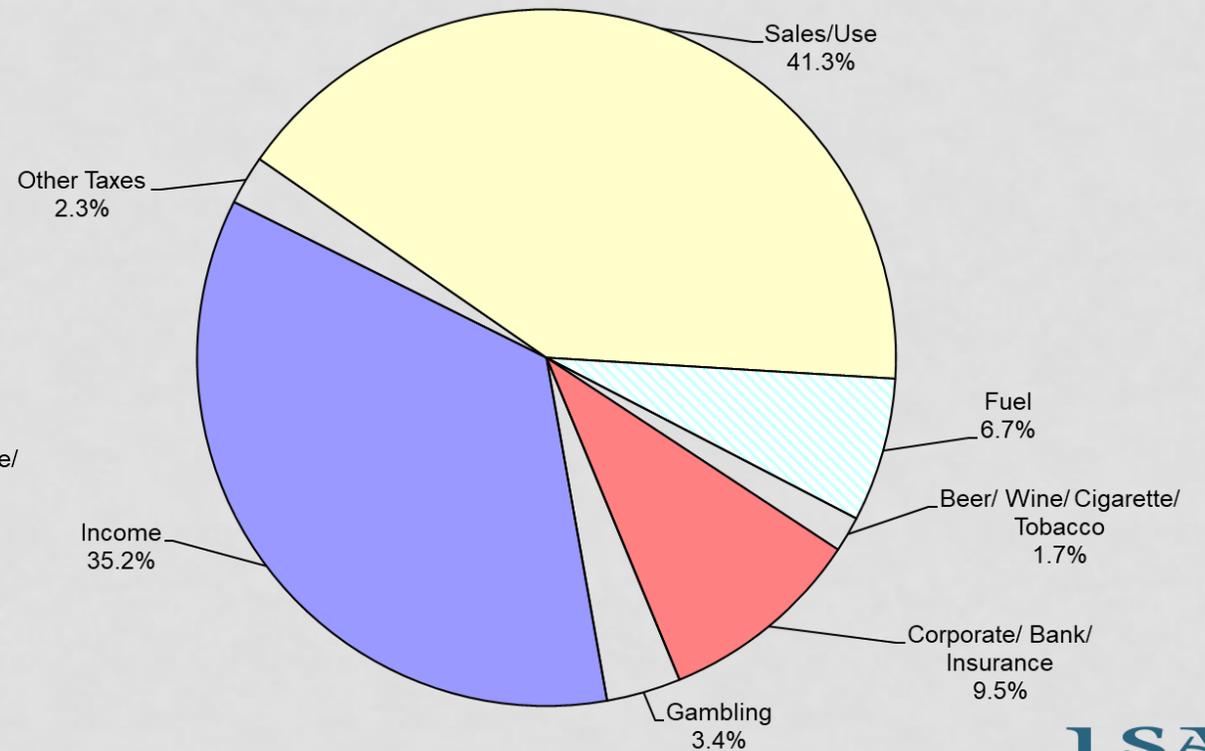


STATE TAX REVENUE — REVENUE SOURCE DISTRIBUTION

Net State Tax Revenue — 12 Months Ending December 2024
Net Revenue = \$10.897 Billion
Percentages may not add to 100% due to rounding

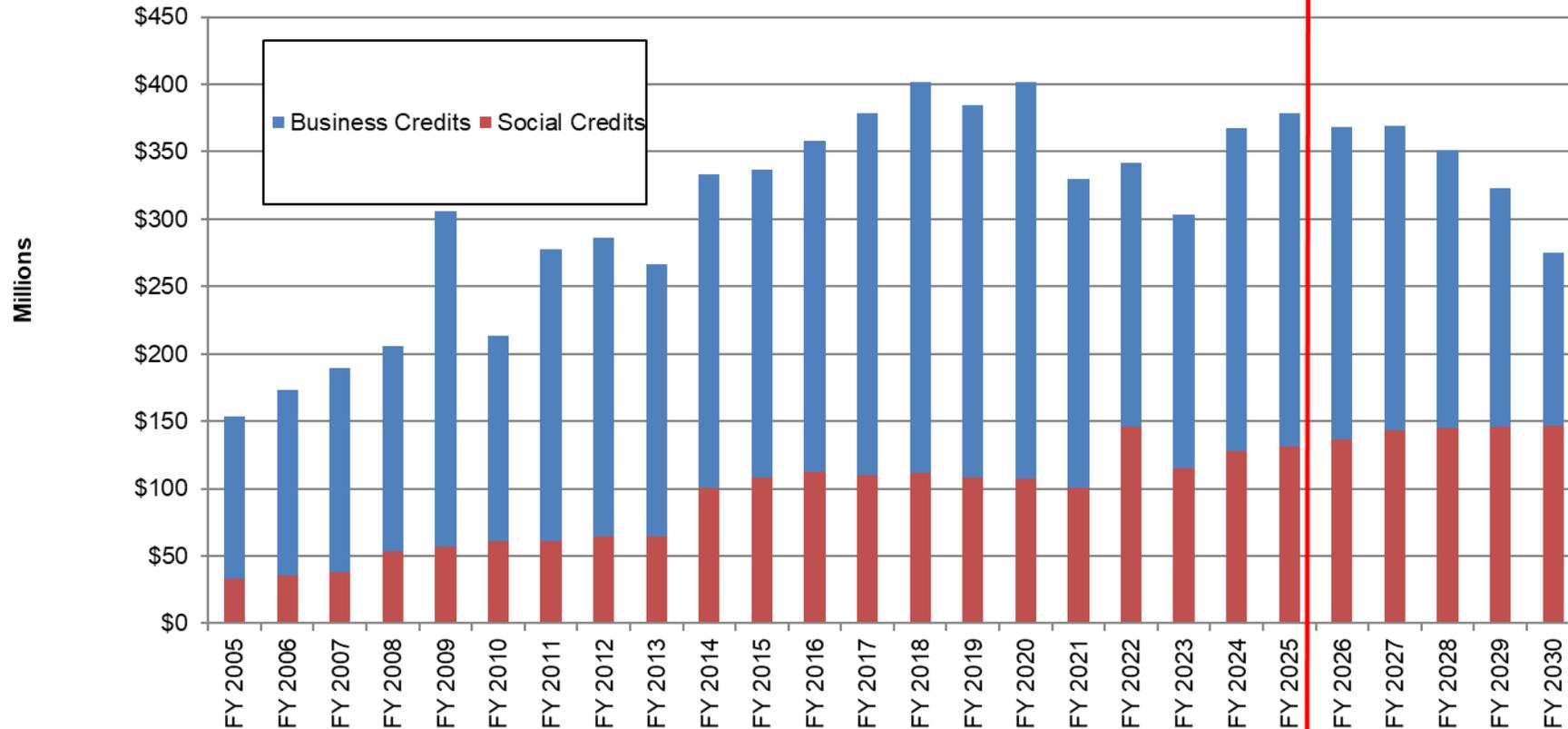


Net State Tax Revenue — 12 Months Ending December 2025
Net Revenue = \$10.010 Billion
Percentages may not add to 100% due to rounding

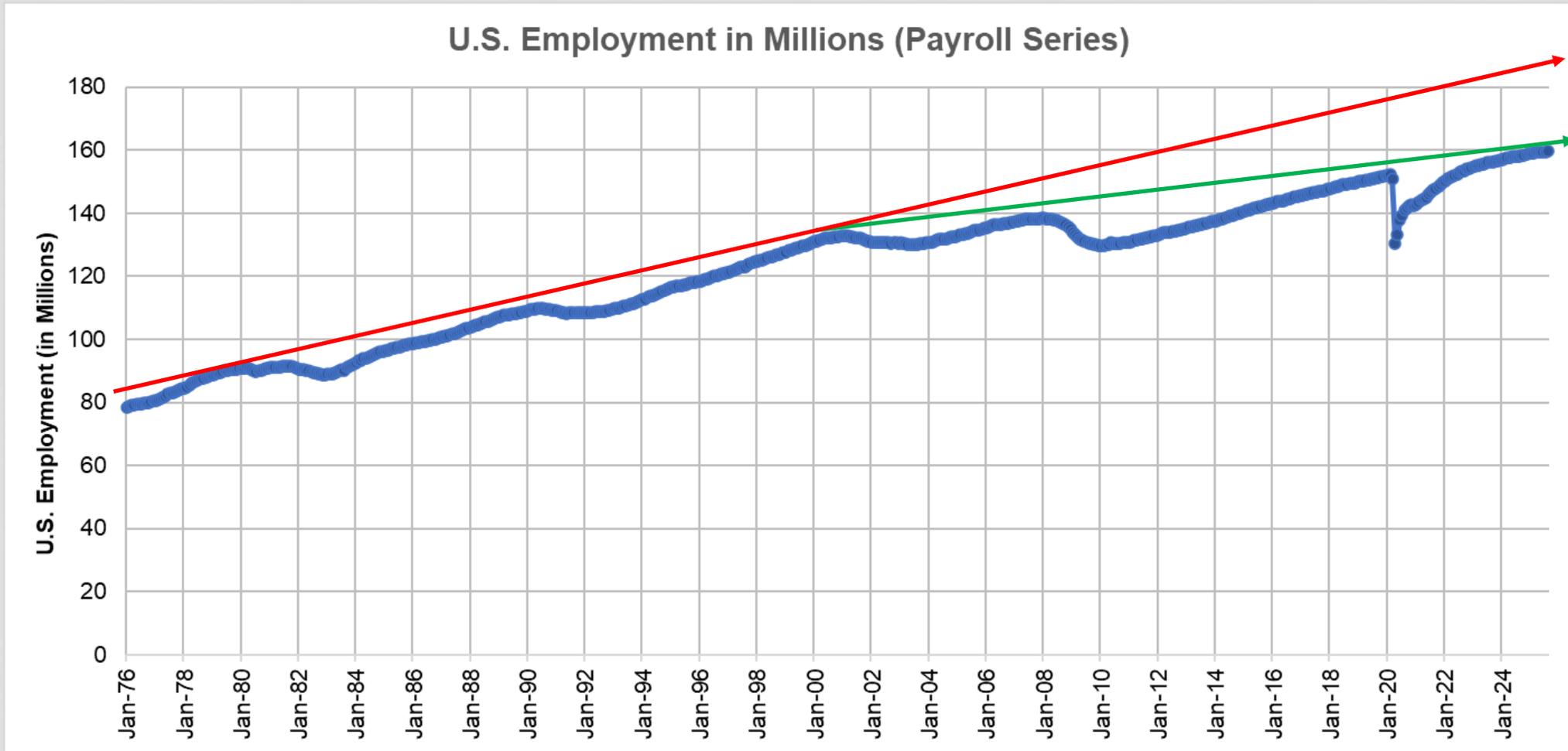


STATE TAX CREDITS

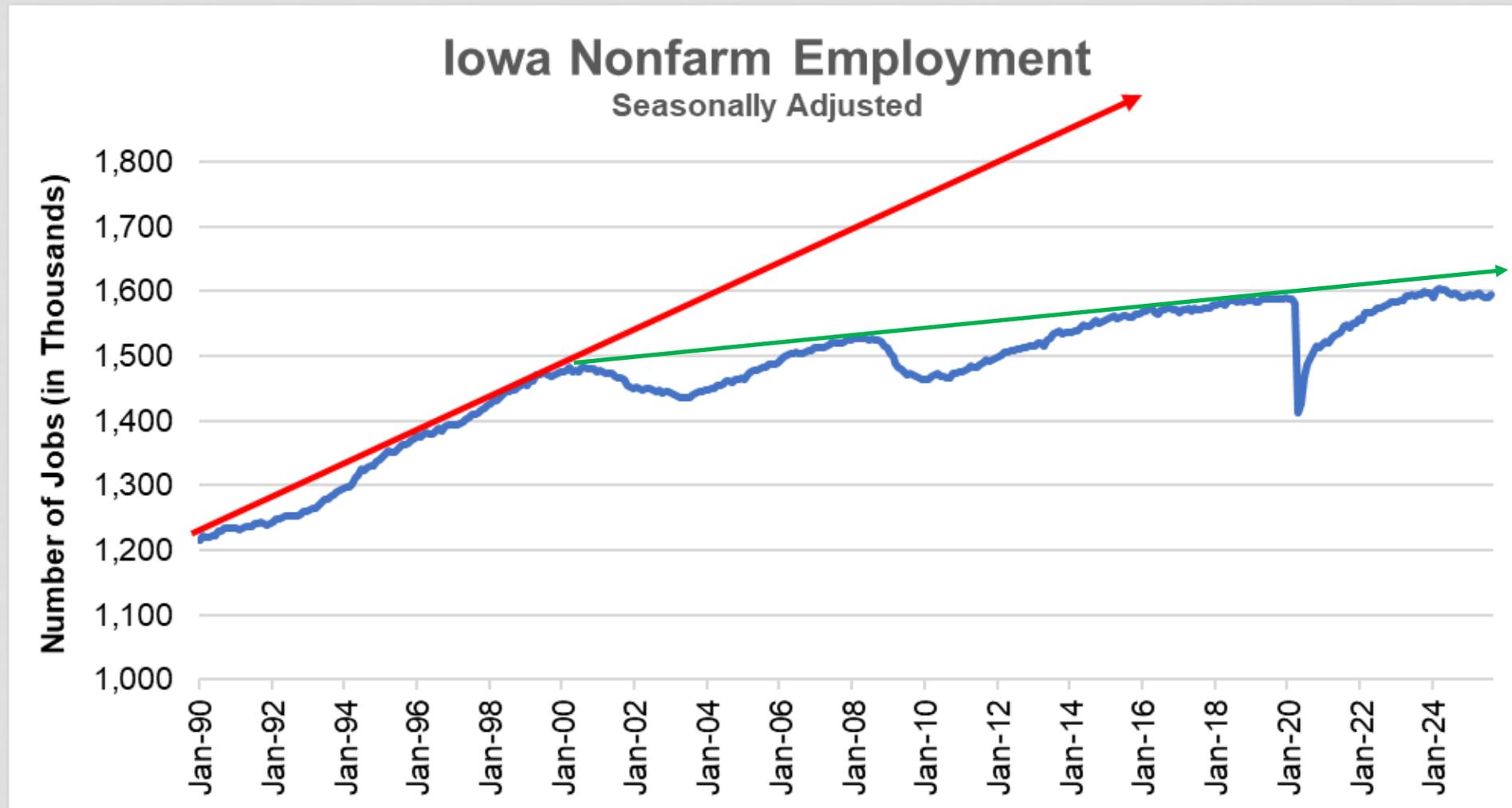
Department of Revenue Contingent Liabilities Report



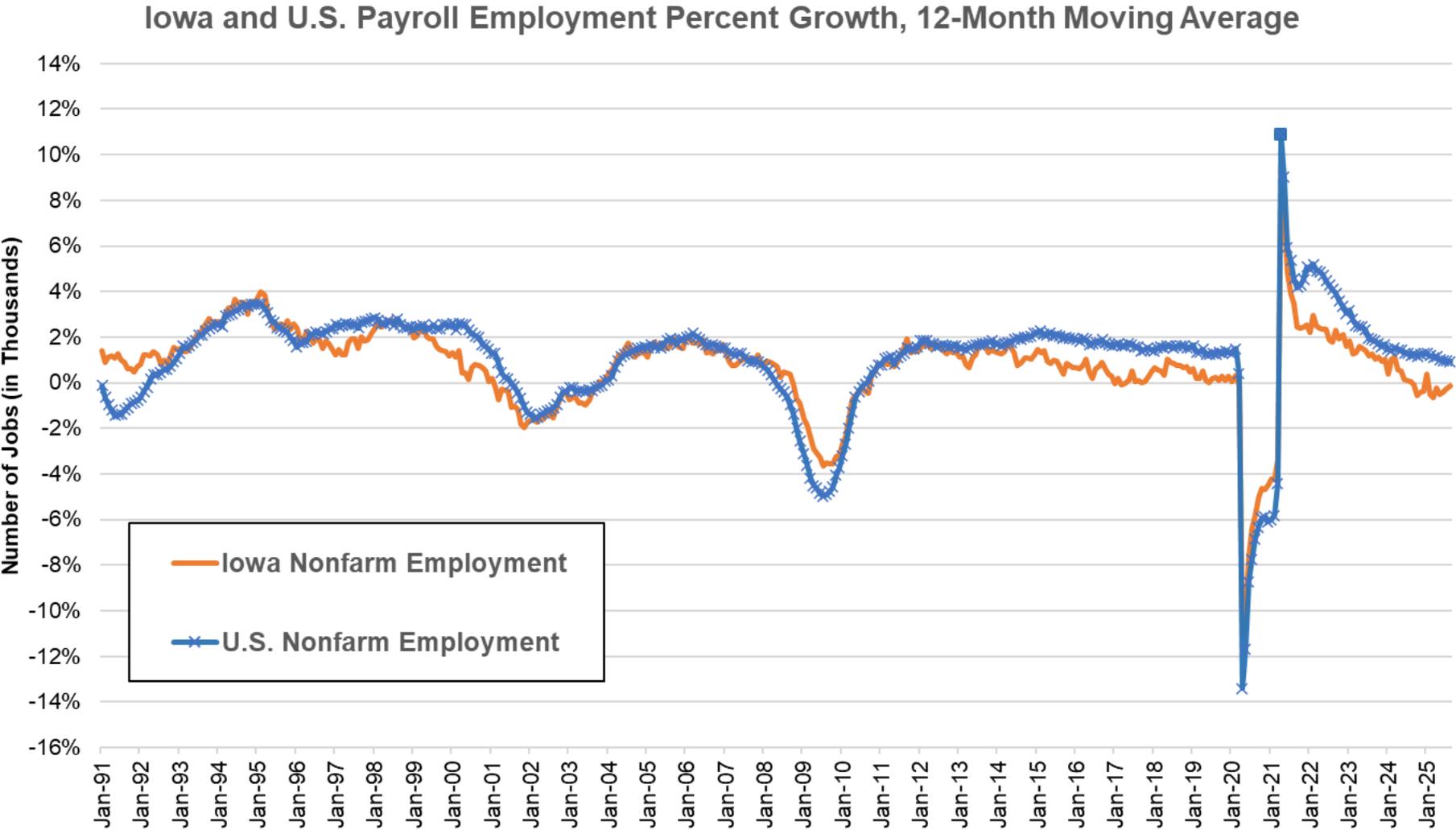
ECONOMIC OUTLOOK — U.S. EMPLOYMENT



ECONOMIC OUTLOOK — IOWA EMPLOYMENT



ECONOMIC OUTLOOK — IOWA AND U.S. EMPLOYMENT GROWTH



ECONOMIC OUTLOOK — CHANGE IN EMPLOYMENT BY INDUSTRY

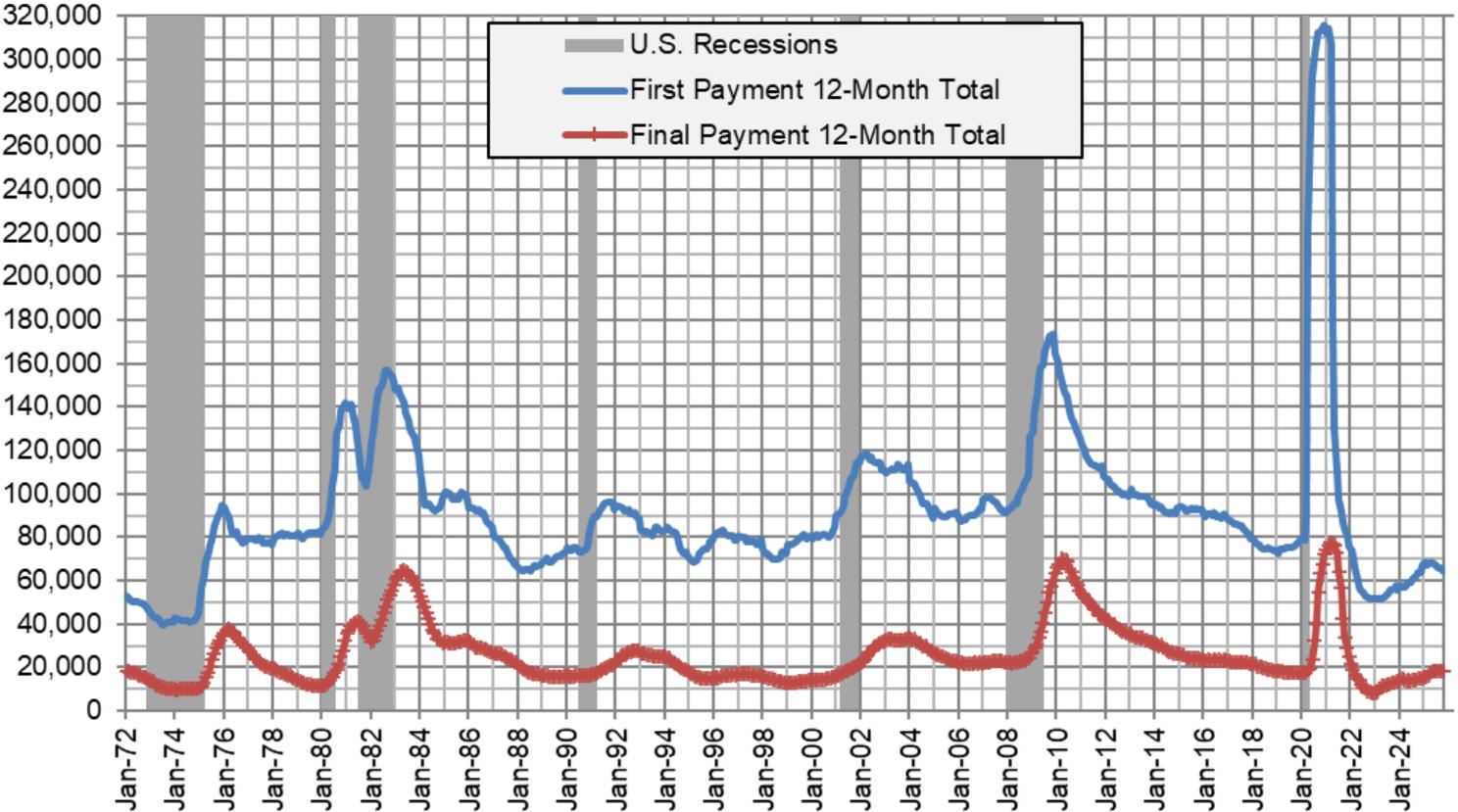
Iowa Employment Change Since Prerecession Peak

In Thousands

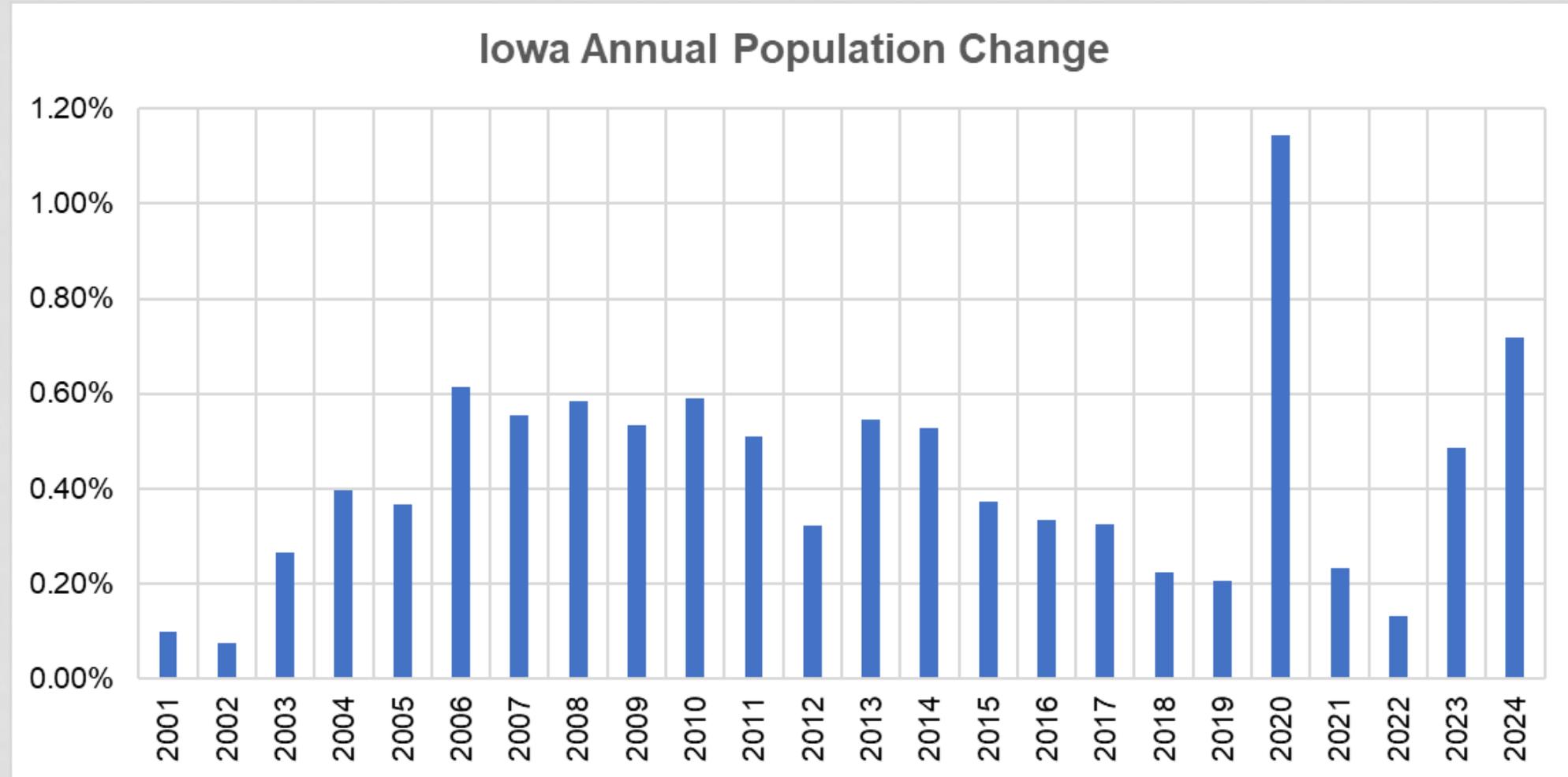
Industry	12 Months Ending Feb. 2020	12 Months Ending Nov. 2025	Employment Change	Percent Change
Mining and Logging	2.3	2.1	(0.2)	-8.7%
Construction	79.1	90.2	11.1	14.0%
Manufacturing	223.9	217.6	(6.3)	-2.8%
Trade, Transportation, and Utilities	309.0	312.0	3.0	1.0%
Information	20.5	18.1	(2.4)	-11.7%
Financial Activities	110.4	104.0	(6.4)	-5.8%
Professional and Business Services	139.2	141.6	2.4	1.7%
Education and Health Services	236.1	247.5	11.4	4.8%
Leisure and Hospitality	145.3	140.0	(5.3)	-3.6%
Other Services	58.3	57.0	(1.3)	-2.2%
Government	263.9	269.7	5.8	2.2%
Total Nonfarm	1,588.0	1,599.8	11.8	0.7%

ECONOMIC OUTLOOK — IOWA UNEMPLOYMENT CLAIMS

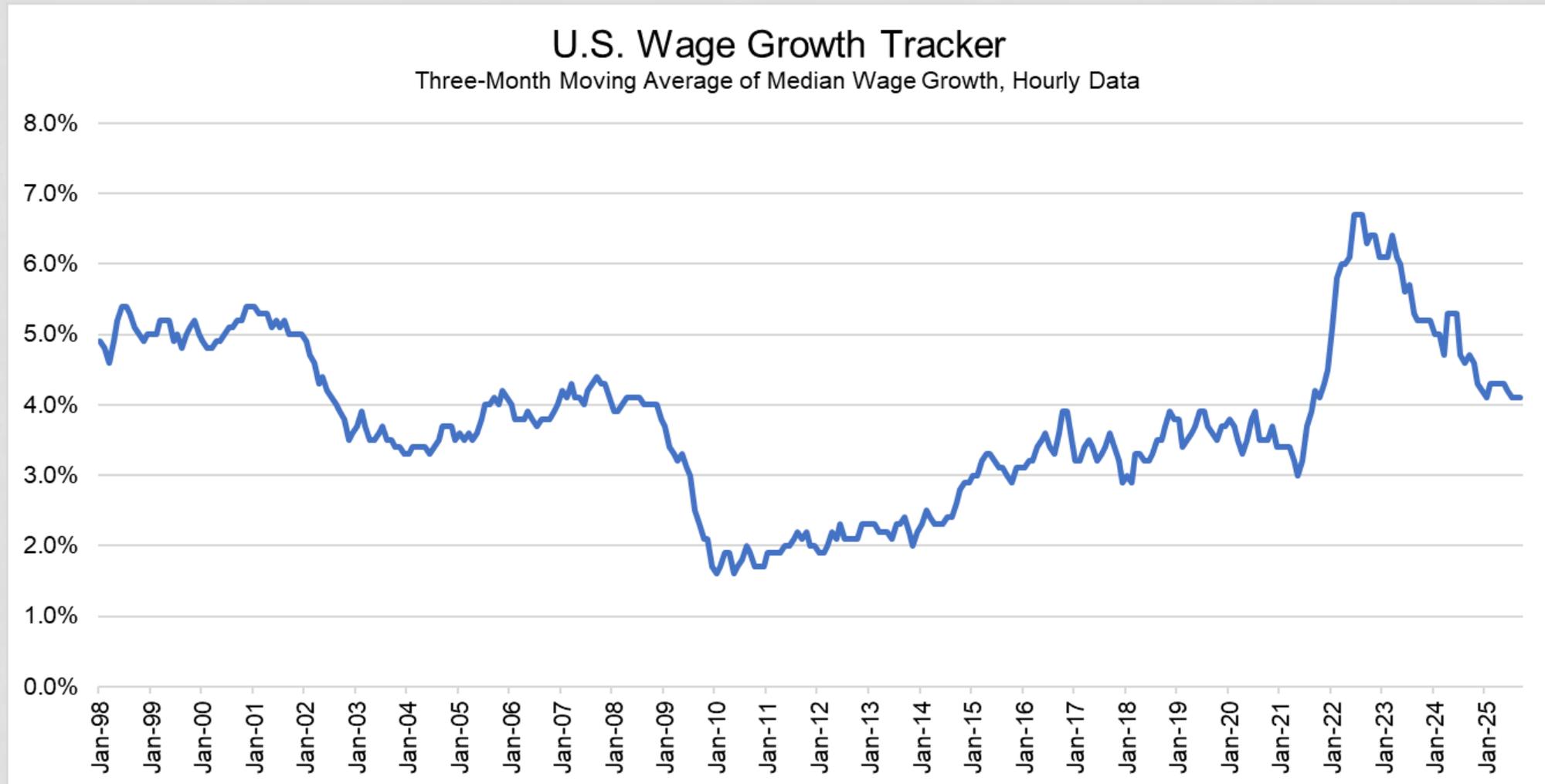
**Number of Claims for Iowa Unemployment Benefits
First and Final Payments, 12-Month Totals**



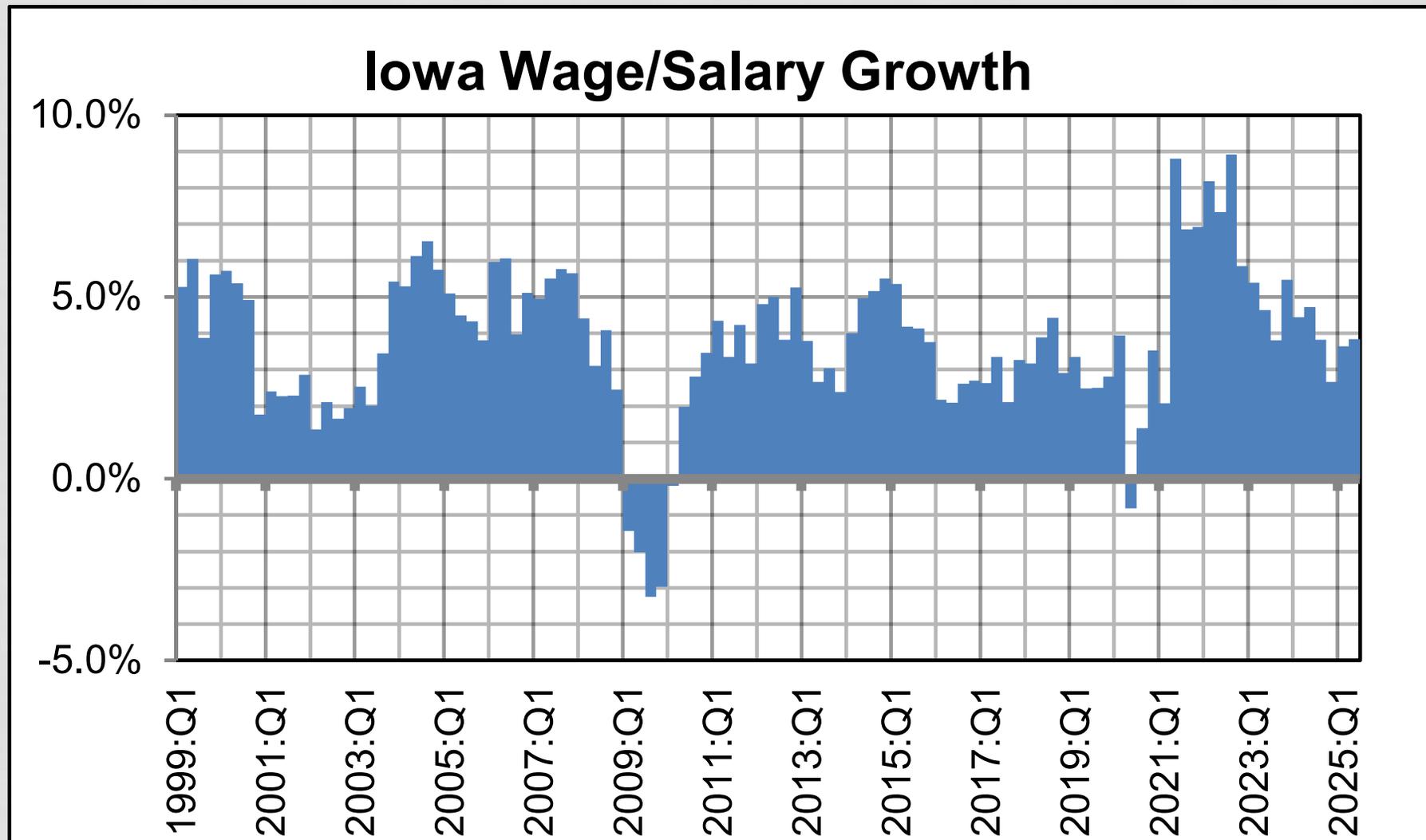
ECONOMIC OUTLOOK — IOWA POPULATION GROWTH



ECONOMIC OUTLOOK — U.S. ECONOMY, WAGE GROWTH



ECONOMIC OUTLOOK — IOWA WAGE/SALARY GROWTH (FOUR-QUARTER AVERAGE)

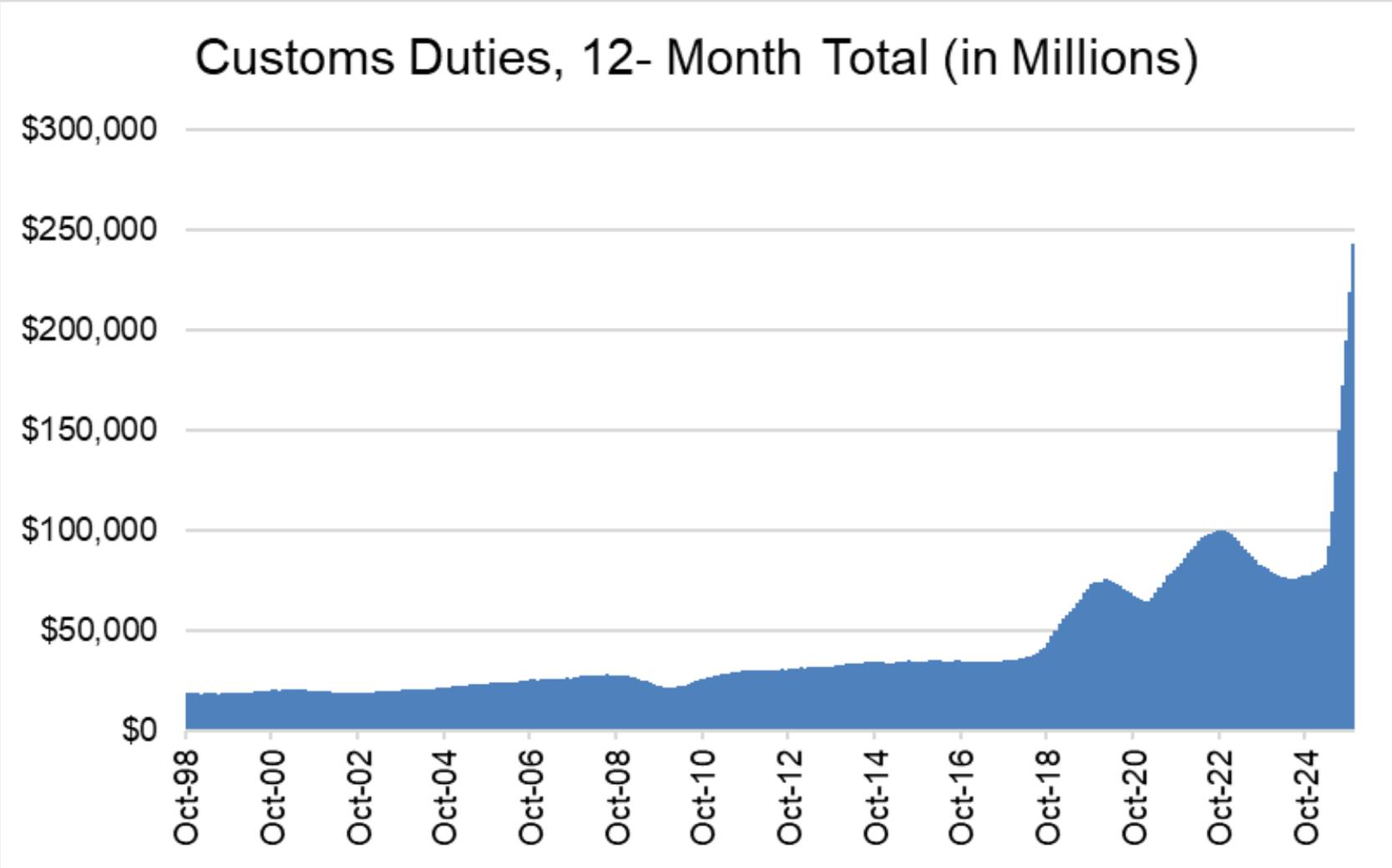


ECONOMIC OUTLOOK — DEBT SERVICE (% OF INCOME)

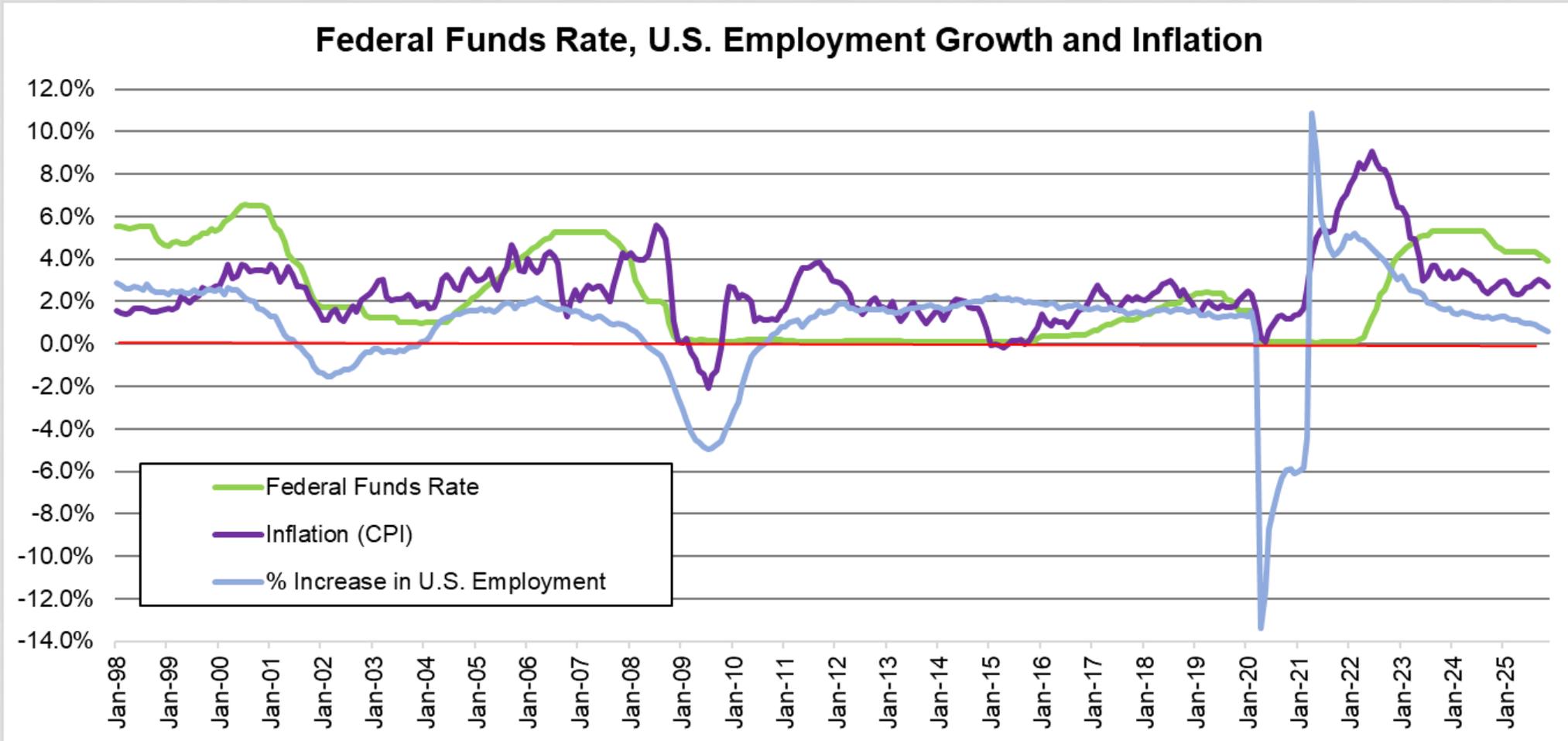
Burdens at Pre-Pandemic Levels



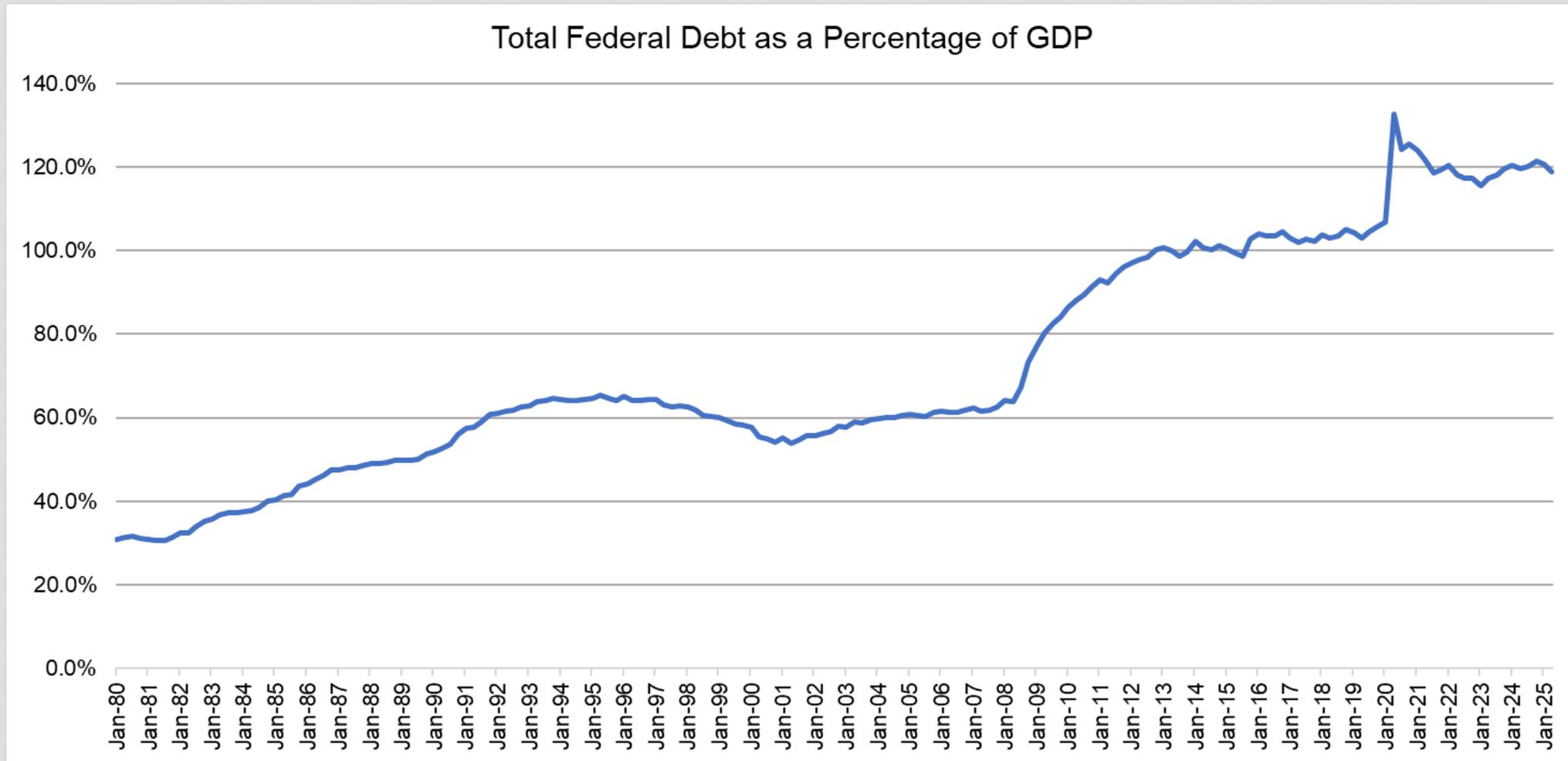
ECONOMIC OUTLOOK — CUSTOMS DUTIES



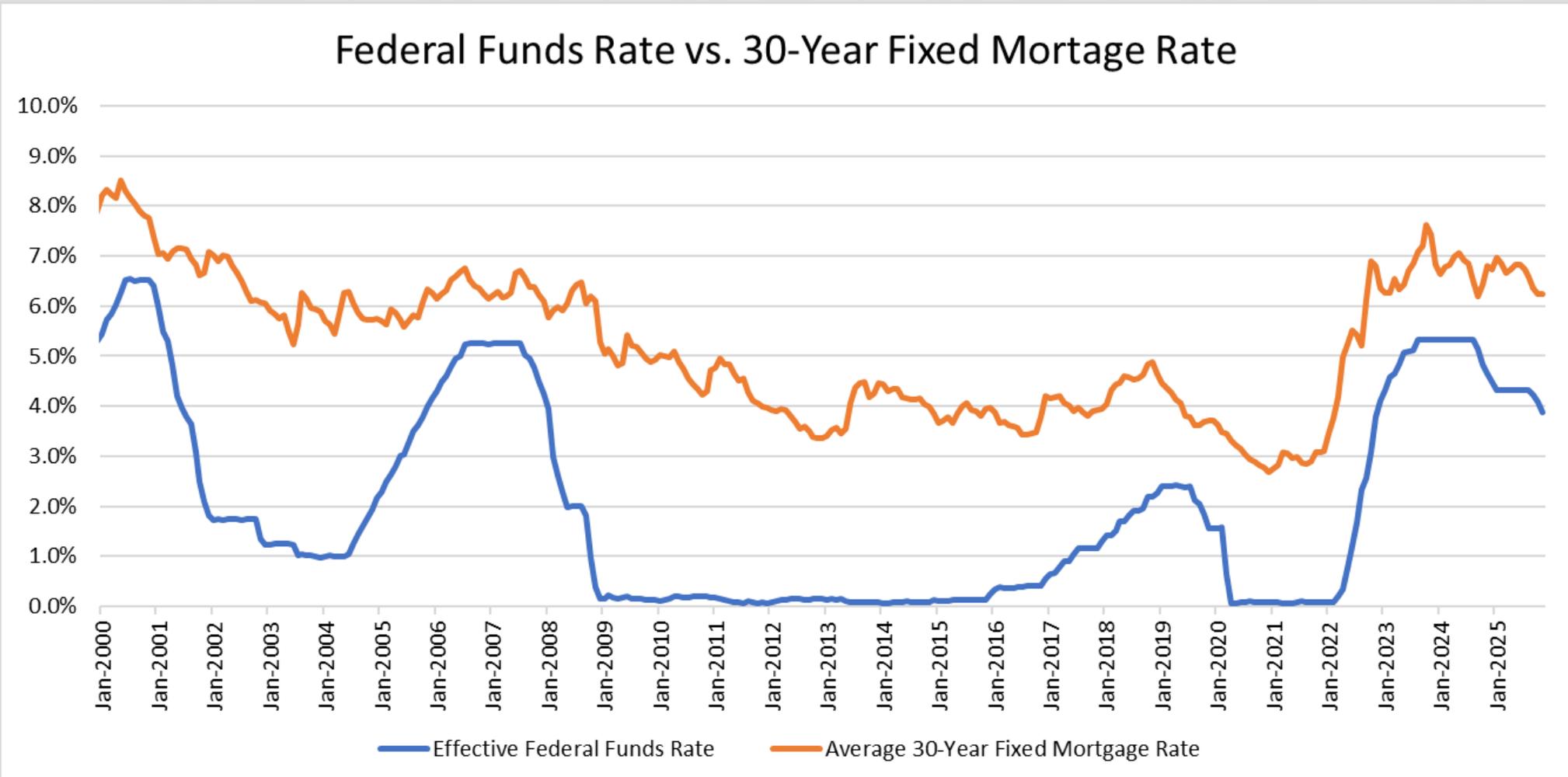
ECONOMIC OUTLOOK — FEDERAL FUNDS RATE HISTORY



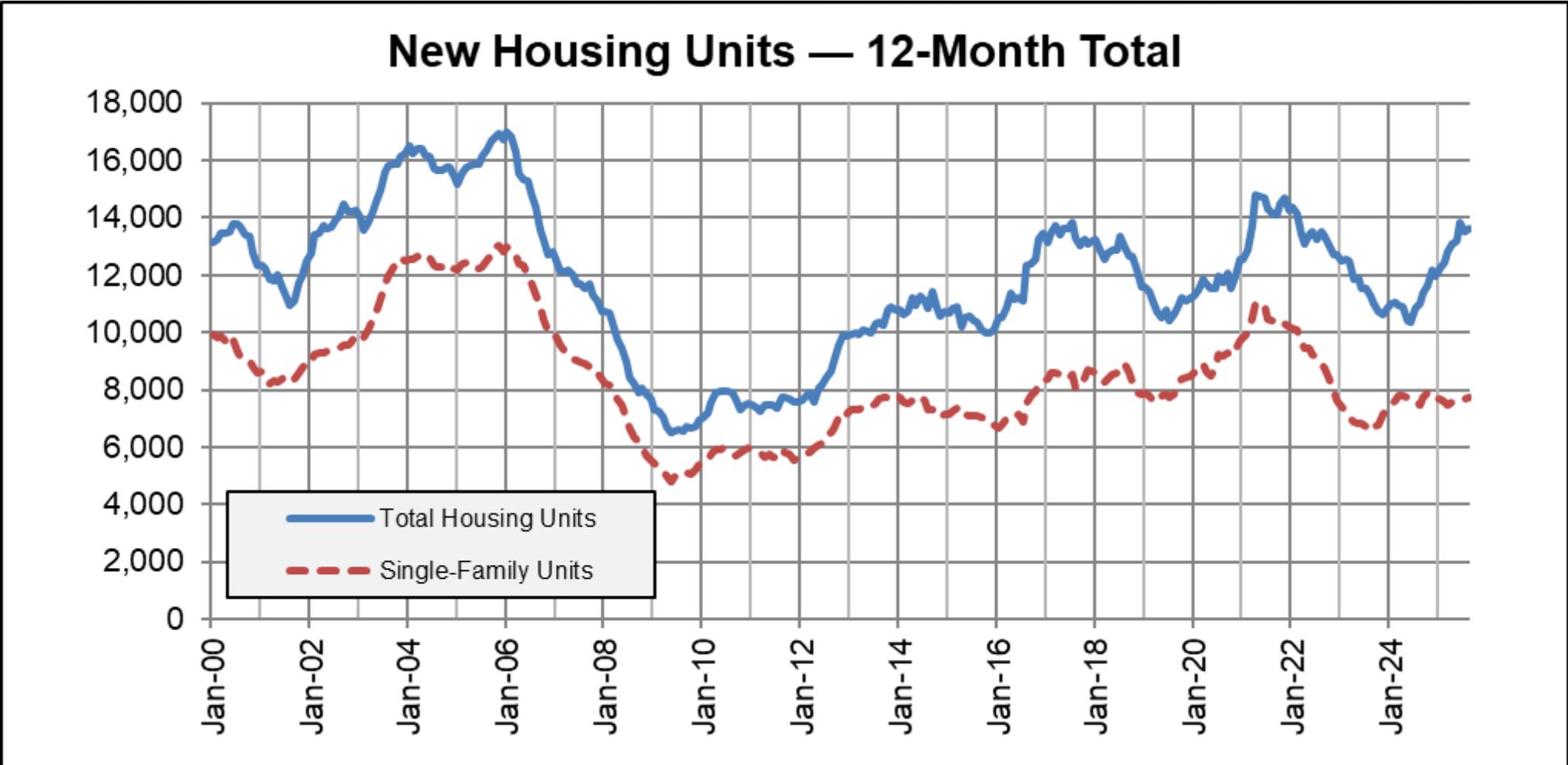
ECONOMIC OUTLOOK — FEDERAL PUBLIC DEBT AS PERCENTAGE OF GDP



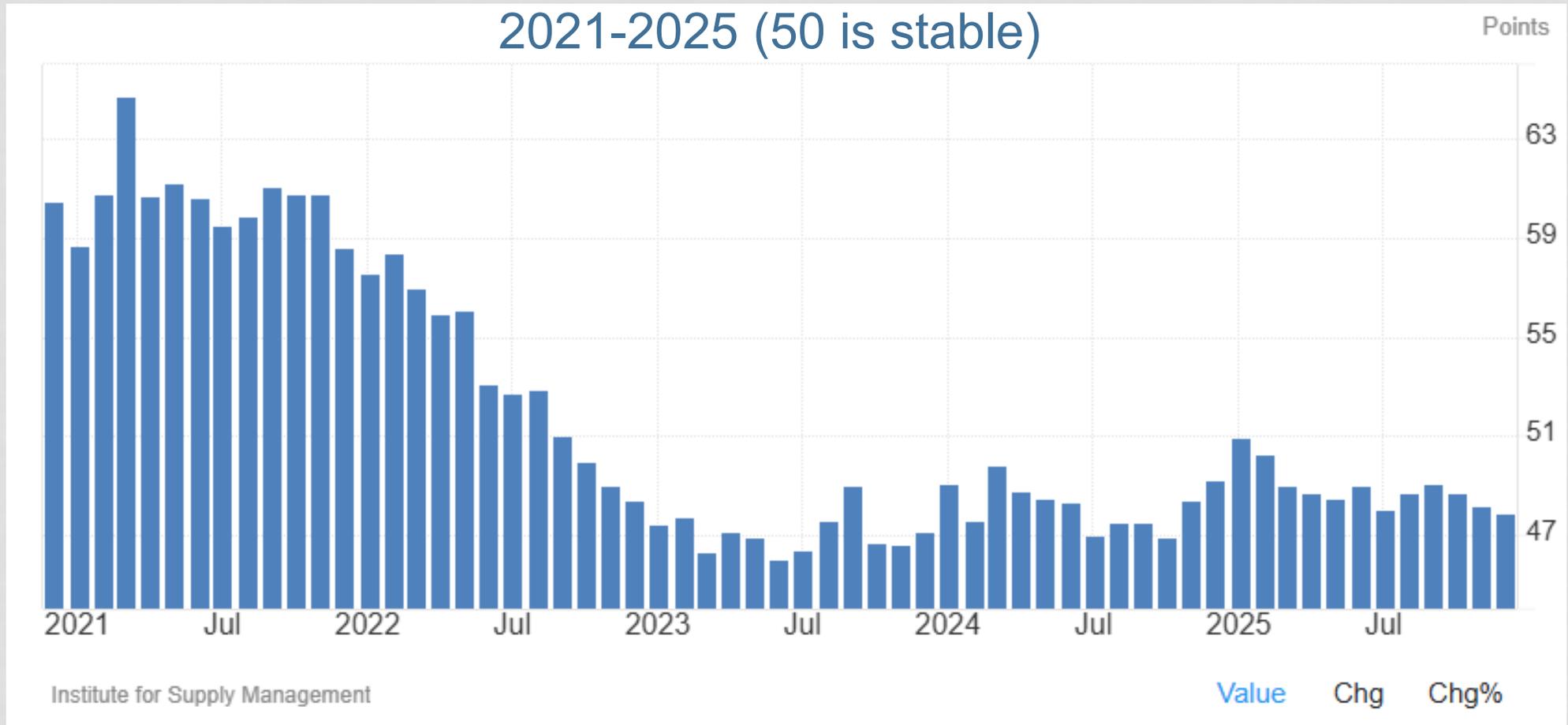
FEDERAL FUNDS RATE AND 30-YEAR MORTGAGE RATE



ECONOMIC OUTLOOK — IOWA HOUSING PERMITS

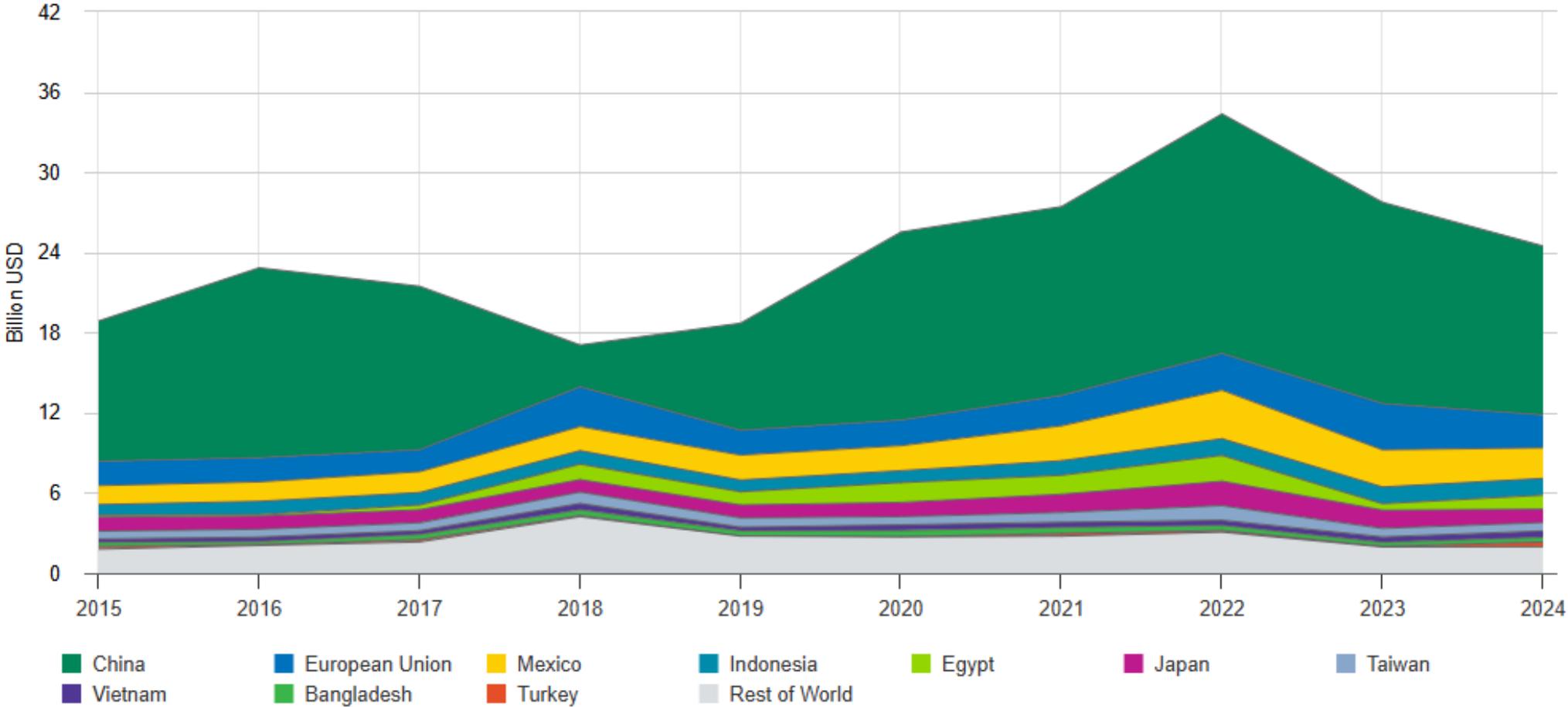


ECONOMIC OUTLOOK — ISM MANUFACTURING INDEX

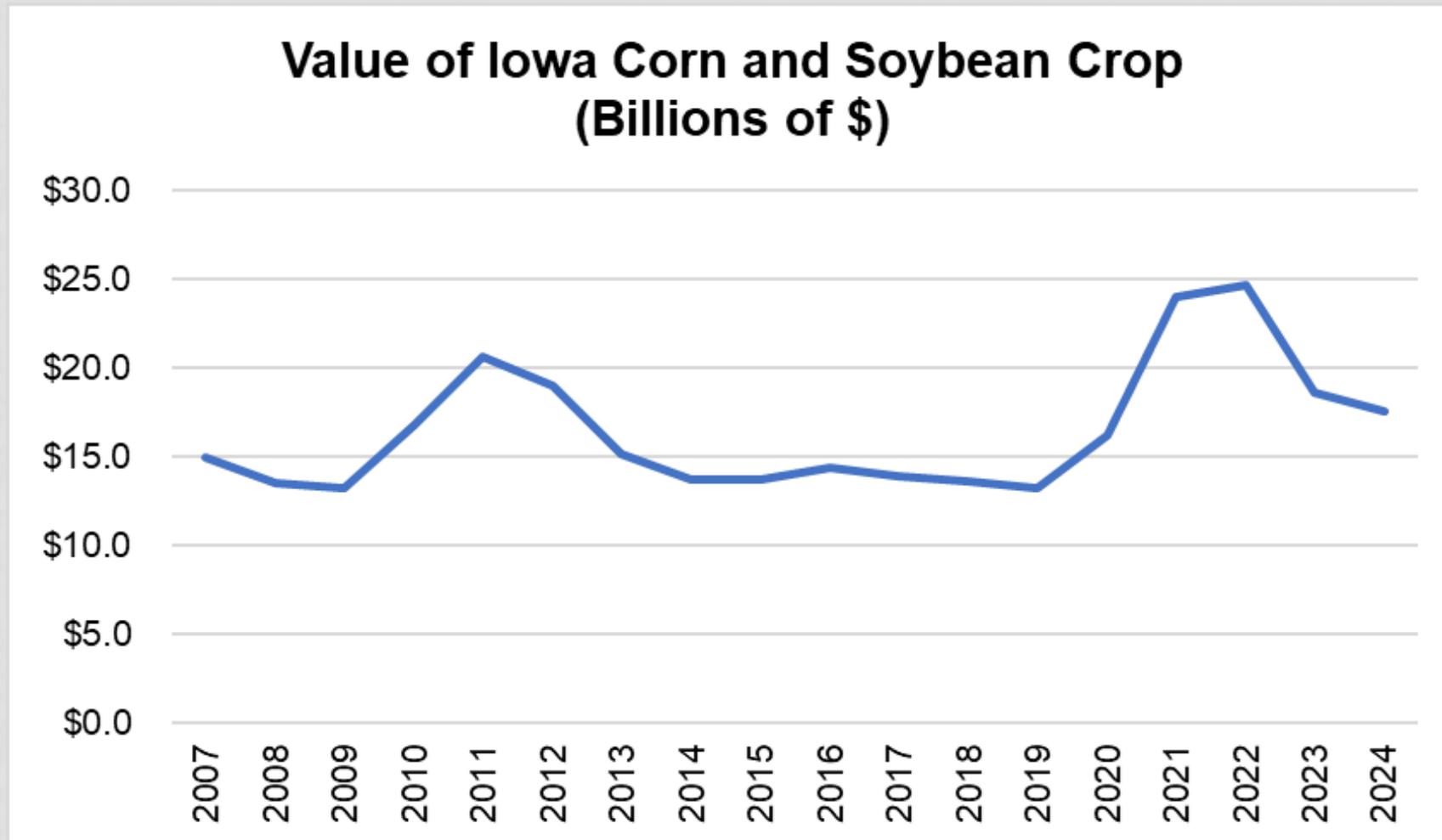


ECONOMIC OUTLOOK — U.S. SOYBEAN EXPORTS

Soybeans Export Markets 2015 - 2024



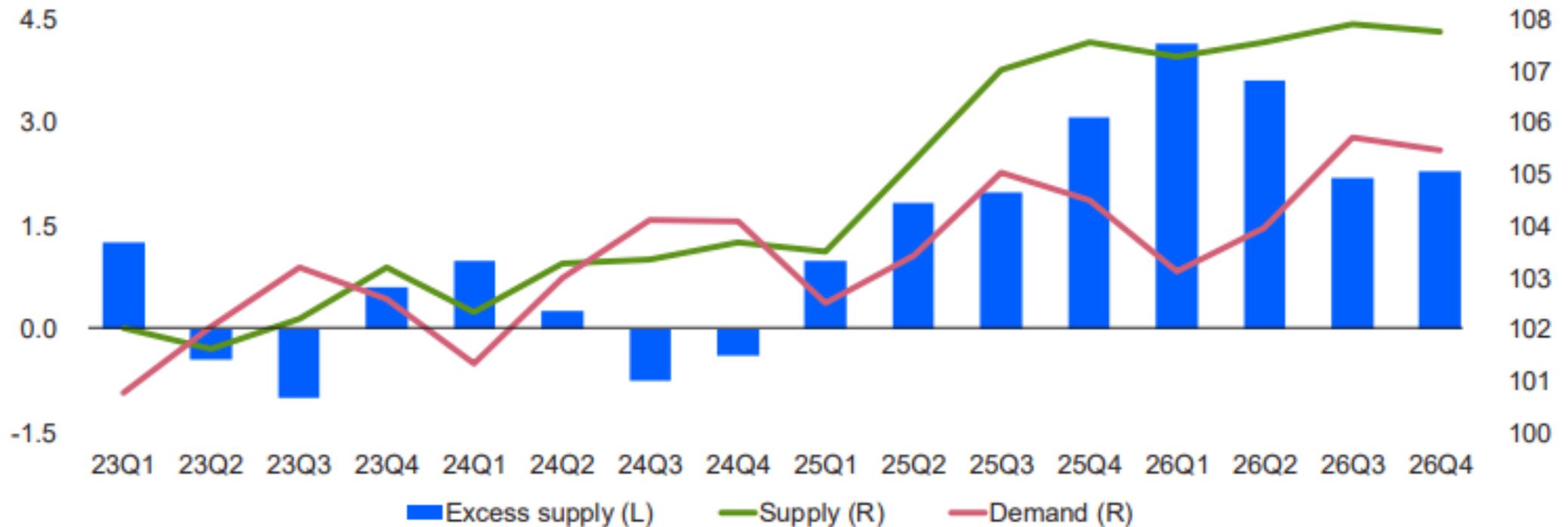
ECONOMIC OUTLOOK — IOWA CORN AND SOYBEAN PRODUCTION



ECONOMIC OUTLOOK — WORLD OIL SUPPLY VS. DEMAND

Global Oversupply in 2026

Barrels Per Day (Millions)



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