
FISCAL TOPICS

Fiscal Services Division

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Ground Floor, State Capitol Building

Des Moines, Iowa 50319

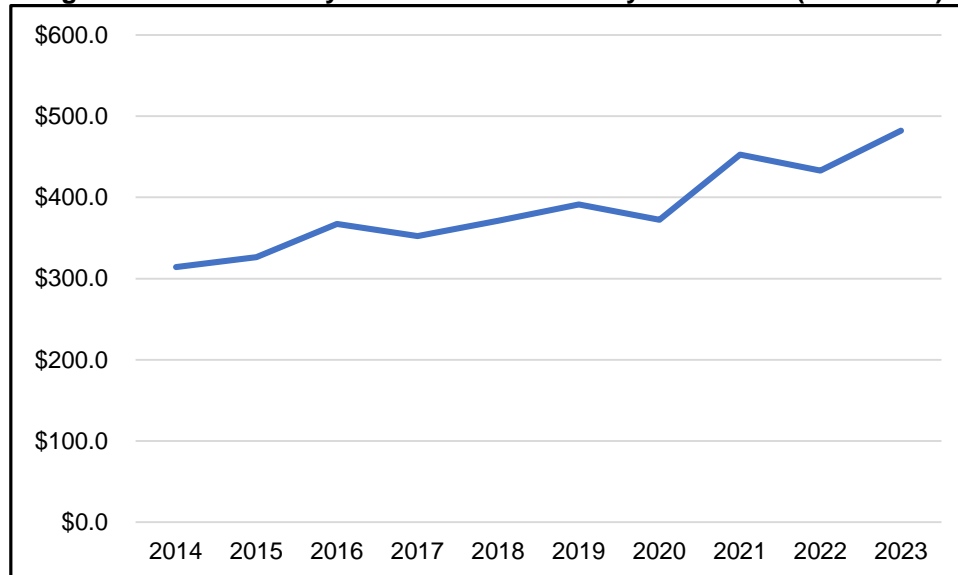
515.281.3566

Iowa Lottery Fund

The State of Iowa Lottery was first established in 1985 and began sales that same year. In 2003, the Iowa Lottery Authority was created under Iowa Code chapter [99G](#) to administer the State of Iowa Lottery, replacing the Lottery Division of the Iowa Department of Revenue and Finance. The Iowa Lottery Authority is a public authority responsible for operating and managing the State's lottery games in an entrepreneurial and businesslike manner. All net proceeds of lottery games are transferred to the General Fund to support a variety of programs and services. The Iowa Lottery Authority does not receive any appropriations and must be self-sustaining and self-funded pursuant to Iowa Code section [99G.38](#). With the enactment of Senate File [514](#) (State Government Alignment Act) during the 2023 Legislative Session, the Iowa Lottery Authority was transferred to the Iowa Department of Revenue.

The Iowa Lottery Fund was established under Iowa Code section [99G.40](#) as a recipient fund for lottery receipts. The Fund consists of all revenues received from the sale of lottery tickets or shares and all other moneys lawfully credited or transferred to the Fund. Revenue is generated through the sale of a variety of lottery games including InstaPlay games, instant-scratch games, and pull-tab games. The Iowa Lottery Authority also administers national games, including Pick 3, Pick 4, Lotto America, and Lucky for Life; and national jackpot games, including Mega Millions and Powerball. **Figure 1** displays the total revenue in the Iowa Lottery Fund by fiscal year, and **Figure 2** displays a breakdown of the Iowa Lottery Authority's product sales by fiscal year.

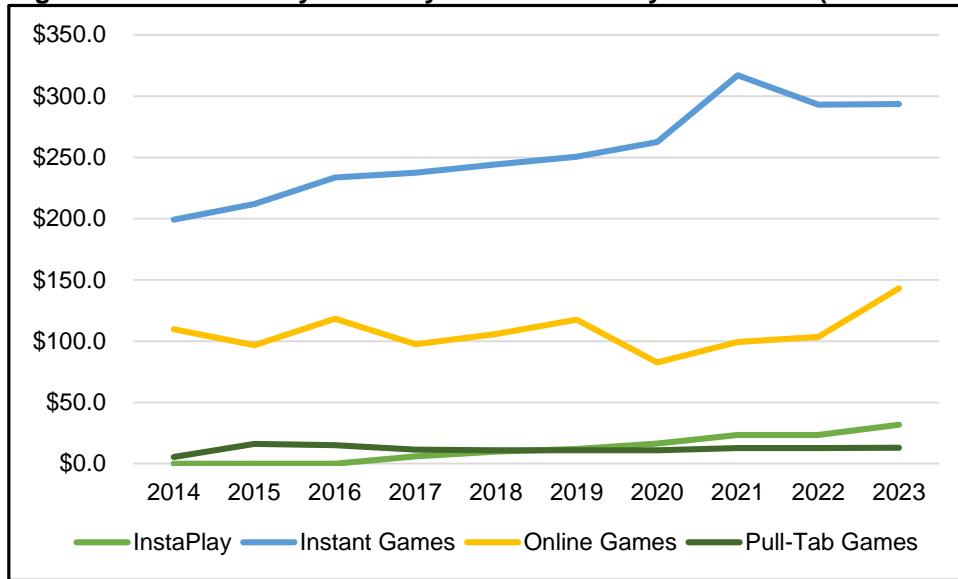
Figure 1 — Iowa Lottery Fund Total Revenue by Fiscal Year (in Millions)



More Information

Iowa Lottery Authority: ialottery.com
LSA Staff Contact: Molly Kilker (515.725.1286) molly.kilker@legis.iowa.gov

Figure 2 — Iowa Lottery Authority Product Sales by Fiscal Year (in Millions)



Moneys deposited into the Fund are from the sale of tickets, and prizes are claimed and paid from the Fund. At least 50.0% of the projected annual Lottery revenue is allocated for payment of prizes to Lottery players. After the payment of prizes, the expenses of conducting the lottery are deducted from the Iowa Lottery Authority’s revenue prior to disbursement. Expenses for advertising production and media purchases are not to exceed 4.0% of the gross revenue annually.

Allocations

Iowa Code section [99G.39](#) allocates lottery revenues annually to various State funds, as provided below:

- \$2.5 million to the Iowa Veterans Trust Fund.
- \$100,000 to the Public Safety Survivor Benefits Fund.
- \$100,000 to the Department of Corrections (DOC) Survivor Benefits Fund.

If gaming revenues are insufficient in a fiscal year to meet the amount to be deposited in the Vision Iowa Fund, Lottery revenues are deposited into the Vision Iowa Fund to cover the difference prior to depositing all remaining revenues into the General Fund. **Figure 3** shows the allocations from Lottery revenue by fiscal year. The last allocation made into the Vision Iowa Fund by gaming revenues was in FY 2020.

Figure 3 — Lottery Fund Transfers by Fiscal Year (in Millions)

	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
General Fund	\$72.2	\$ 72.4	\$85.5	\$78.3	\$84.6	\$90.4	\$78.9	\$ 99.0	\$95.2	\$105.7
Iowa Veterans Fund Transfer	\$ 1.8	\$ 2.2	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5	\$ 2.5
Public Safety Survivor Benefits Fund	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.1	\$ 0.1	\$ 0.1	\$ 0.1
DOC Survivor Benefits Fund	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.0	\$ 0.1	\$ 0.1	\$ 0.1
Total	\$74.0	\$ 74.5	\$88.0	\$80.8	\$87.1	\$92.9	\$81.5	\$101.7	\$97.9	\$108.4

Sources

Iowa Lottery Authority
 Integrated Information for Iowa (1/3)

Related Statutes and Administrative Rules

Iowa Code chapter [99G](#)
 Iowa Administrative Code [531](#)