



REVENUE ESTIMATING CONFERENCE – DECEMBER MEETING

Revenue Estimates. The Revenue Estimating Conference (REC) met on December 10, 2015, and decreased the estimated FY 2016 General Fund receipts by \$8.9 million compared to the FY 2016 October REC estimate. The REC also decreased the estimated FY 2017 General Fund receipts by \$21.5 million.

Fiscal Year 2016. The December REC estimate for FY 2016 net General Fund receipts, including transfers, totals \$7,045.6 million, an increase of \$225.9 million compared to actual FY 2015. The estimated FY 2016 changes compared to FY 2015 include:

- An increase of \$294.8 million (7.0%) in gross income tax receipts.
- An increase of \$85.8 million (3.1%) in gross sales/use tax receipts.
- A decrease of \$76.3 million (-13.2%) in gross corporate tax receipts.

The following chart provides additional detail for the FY 2016 revenue projection.

FY 2016 Revenue Estimating Conference Projection						
Dollars in Millions						
	Actual FY 2015	October FY 2016 Estimate	December FY 2016 Estimate	Increase (Decrease) to October Estimate	Increase (Decrease) to Actual FY 2015	Percentage Change to Actual FY 2015
Income Tax	\$4,207.3	\$4,490.5	\$4,502.1	\$11.6	\$294.8	7.0%
Sales/Use Tax	2,753.0	2,805.5	2,838.8	33.3	85.8	3.1%
Corporate Tax	576.3	537.8	500.0	-37.8	-76.3	-13.2%
Insurance Tax	109.6	105.2	103.0	-2.2	-6.6	-6.0%
Other Taxes	149.8	158.1	158.1	0.0	8.3	5.5%
Total Taxes	\$7,796.0	\$8,097.1	\$8,102.0	\$4.9	\$306.0	3.9%
Other Receipts	294.9	291.7	291.7	0.0	-3.2	-1.1%
Gross Tax & Other Receipts	\$8,090.9	\$8,388.8	\$8,393.7	\$4.9	\$302.8	3.7%
Accruals (Net)	19.6	17.7	17.7	0.0	-1.9	-9.7%
Refund (Accrual Basis)	-967.9	-991.0	-1,002.0	-11.0	-34.1	3.5%
Schl. Infr. Refunds (Accrual)	-450.5	-457.4	-460.2	-2.8	-9.7	2.2%
Total Net Receipts	\$6,692.1	\$6,958.1	\$6,949.2	\$-8.9	\$257.1	3.8%
Transfers (Accrual Basis)	127.6	96.4	96.4	0.0	-31.2	-24.5%
Net Receipts Plus Transfers	\$6,819.7	\$7,054.5	\$7,045.6	\$-8.9	\$225.9	3.3%

Fiscal Year 2017. The December REC estimate for FY 2017 net General Fund receipts, including transfers, totals \$7,327.4 million, an increase of \$281.8 million compared to the revised FY 2016 estimate. The estimated changes include an increase of 4.6% in gross income tax, 2.7% in gross sales/use tax, and a decrease of 1.0% in gross corporate tax receipts.

The following chart provides additional detail for the FY 2017 revenue projection.

FY 2017 Revenue Estimating Conference Projection						
Dollars in Millions						
	Estimate FY 2016	October FY 2017 Estimate	December FY 2017 Estimate	Increase (Decrease) to October Estimate	Increase (Decrease) to Estimated FY 2016	Percentage Change to Estimated FY 2016
Income Tax	\$4,502.1	\$4,743.0	\$4,707.7	\$-35.3	\$205.6	4.6%
Sales/Use Tax	2,838.8	2,912.0	2,914.5	2.5	75.7	2.7%
Corporate Tax	500.0	497.9	495.0	-2.9	-5.0	-1.0%
Insurance Tax	103.0	106.6	105.9	-0.7	2.9	2.8%
Other Taxes	158.1	165.5	165.5	0.0	7.4	4.7%
Total Taxes	\$8,102.0	\$8,425.0	\$8,388.6	\$-36.4	\$286.6	3.5%
Other Receipts	291.7	294.2	294.2	0.0	2.5	0.9%
Gross Tax & Other Receipts	\$8,393.7	\$8,719.2	\$8,682.8	\$-36.4	\$289.1	3.4%
Accruals (Net)	17.7	29.6	29.6	0.0	11.9	67.2%
Refund (Accrual Basis)	-1,002.0	-1,021.0	-1,011.0	10.0	-9.0	0.9%
Schl. Infr. Refunds (Accrual)	-460.2	-475.1	-470.2	4.9	-10.0	2.2%
Total Net Receipts	\$6,949.2	\$7,252.7	\$7,231.2	\$-21.5	\$282.0	4.1%
Transfers (Accrual Basis)	96.4	96.2	96.2	0.0	-0.2	-0.2%
Net Receipts Plus Transfers	\$7,045.6	\$7,348.9	\$7,327.4	\$-21.5	\$281.8	4.0%

Next Meeting. The next REC meeting has not been scheduled but will likely occur in March 2016. A detailed [spreadsheet](#) of the REC estimates is available on the Legislative Services Agency (LSA) website.

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REVENUE ESTIMATING CONFERENCE

December 10, 2015

	% Change FY 15 vs. FY 14			REC FY 16 Estimate	% Change vs. FY 15	REC FY 17 Estimate	% Change vs. FY 16	REC FY 16 Estimate	% Change vs. FY 15	REC FY 17 Estimate	% Change vs. FY 16
	FY 14 Actual	FY 15 Actual	FY 14 Actual	13-Oct-15	Actual	13-Oct-15	Estimate	10-Dec-15	Actual	10-Dec-15	Estimate
Tax Receipts											
Personal Income Tax	\$3,974.8	\$4,207.3	5.8%	\$4,490.5	6.7%	\$4,743.0	5.6%	\$4,502.1	7.0%	\$4,707.7	4.6%
Sales/Use Tax	2,642.3	2,753.0	4.2%	2,805.5	1.9%	2,912.0	3.8%	2,838.8	3.1%	2,914.5	2.7%
Corporate Income Tax	549.6	576.3	4.9%	537.8	-6.7%	497.9	-7.4%	500.0	-13.2%	495.0	-1.0%
Inheritance Tax	91.0	87.0	-4.4%	94.0	8.0%	98.2	4.5%	94.0	8.0%	98.2	4.5%
Insurance Premium Tax	105.6	109.6	3.8%	105.2	-4.0%	106.6	1.3%	103.0	-6.0%	105.9	2.8%
Cigarette Tax	0.0	0.0		0.0		0.0		0.0		0.0	
Tobacco Tax	1.4	0.0		0.0		0.0		0.0		0.0	
Beer Tax	14.1	14.5	2.8%	14.5	0.0%	14.9	2.8%	14.5	0.0%	14.9	2.8%
Franchise Tax	42.9	46.9	9.3%	48.2	2.8%	51.0	5.8%	48.2	2.8%	51.0	5.8%
Miscellaneous Tax	1.2	1.4	16.7%	1.4	0.0%	1.4	0.0%	1.4	0.0%	1.4	0.0%
Total Tax Receipts	\$7,422.9	\$7,796.0	5.0%	\$8,097.1	3.9%	\$8,425.0	4.0%	\$8,102.0	3.9%	\$8,388.6	3.5%
Other Receipts											
Institutional Payments	\$12.8	\$15.5	21.1%	\$6.5	-58.1%	\$5.8	-10.8%	\$6.5	-58.1%	\$5.8	-10.8%
Liquor Profits	96.6	108.4	12.2%	102.5	-5.4%	103.8	1.3%	102.5	-5.4%	103.8	1.3%
Interest	3.4	3.7	8.8%	4.0	8.1%	4.4	10.0%	4.0	8.1%	4.4	10.0%
Fees	28.8	27.7	-3.8%	27.6	-0.4%	27.6	0.0%	27.6	-0.4%	27.6	0.0%
Judicial Revenue	104.0	99.9	-3.9%	111.9	12.0%	112.9	0.9%	111.9	12.0%	112.9	0.9%
Miscellaneous Receipts	43.4	39.7	-8.5%	39.2	-1.3%	39.7	1.3%	39.2	-1.3%	39.7	1.3%
Racing and Gaming	0.0	0.0		0.0		0.0		0.0		0.0	
Total Other Receipts	\$289.0	\$294.9	2.0%	\$291.7	-1.1%	\$294.2	0.9%	\$291.7	-1.1%	\$294.2	0.9%
Gross Tax & Other Receipts	\$7,711.9	\$8,090.9	4.9%	\$8,388.8	3.7%	\$8,719.2	3.9%	\$8,393.7	3.7%	\$8,682.8	3.4%
Accruals (Net)	\$-16.2	\$19.6		\$17.7		\$29.6		\$17.7		\$29.6	
Refund (Accrual Basis)	\$-955.3	\$-967.9	1.3%	\$-991.0	2.4%	\$-1,021.0	3.0%	\$-1,002.0	3.5%	\$-1,011.0	0.9%
School Infr. Refunds (Accrual)	-\$440.4	-\$450.5	2.3%	-\$457.4	1.5%	-\$475.1	3.9%	-\$460.2	2.2%	-\$470.2	2.2%
Total Net Receipts	\$6,300.0	\$6,692.1	6.2%	\$6,958.1	4.0%	\$7,252.7	4.2%	\$6,949.2	3.8%	\$7,231.2	4.1%
Transfers (Accrual Basis) **											
Lottery	\$72.2	\$72.4	0.3%	\$74.0	2.2%	\$77.0	4.1%	\$74.0	2.2%	\$77.0	4.1%
Taxpayer Trust Fund Transf.	\$84.6	\$27.7		\$0.0		\$0.0		\$0.0		\$0.0	
Other Transfers	32.1	27.5	-14.3%	22.4	-18.5%	19.2	-14.3%	22.4	-18.5%	19.2	-14.3%
Net Receipts Plus Transfers	\$6,488.9	\$6,819.7	5.1%	\$7,054.5	3.4%	\$7,348.9	4.2%	\$7,045.6	3.3%	\$7,327.4	4.0%
Estimated Gambling Revenues											
Deposited To Other Funds	\$272.9	\$277.9	1.8%	\$288.8	3.9%	\$291.7	1.0%	\$288.8	3.9%	\$291.7	1.0%
Interest Earned on Reserve Funds	\$1.8	\$2.8	55.6%	\$2.8	0.0%	\$2.8	0.0%	\$2.8	0.0%	\$2.8	0.0%

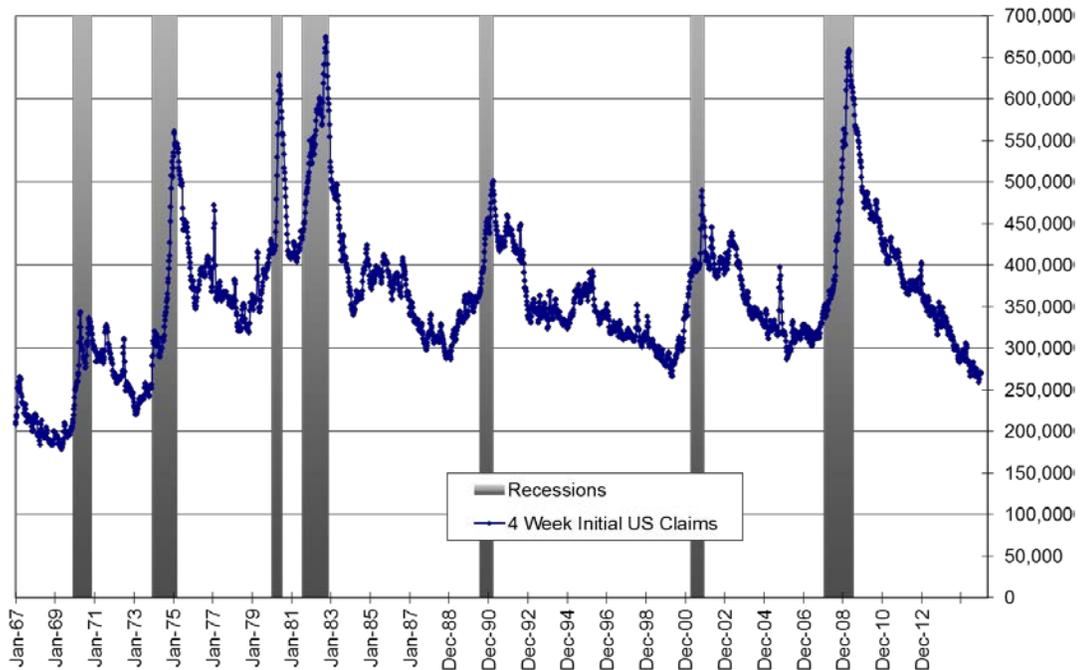
There were no law change adjustments to the October REC estimates

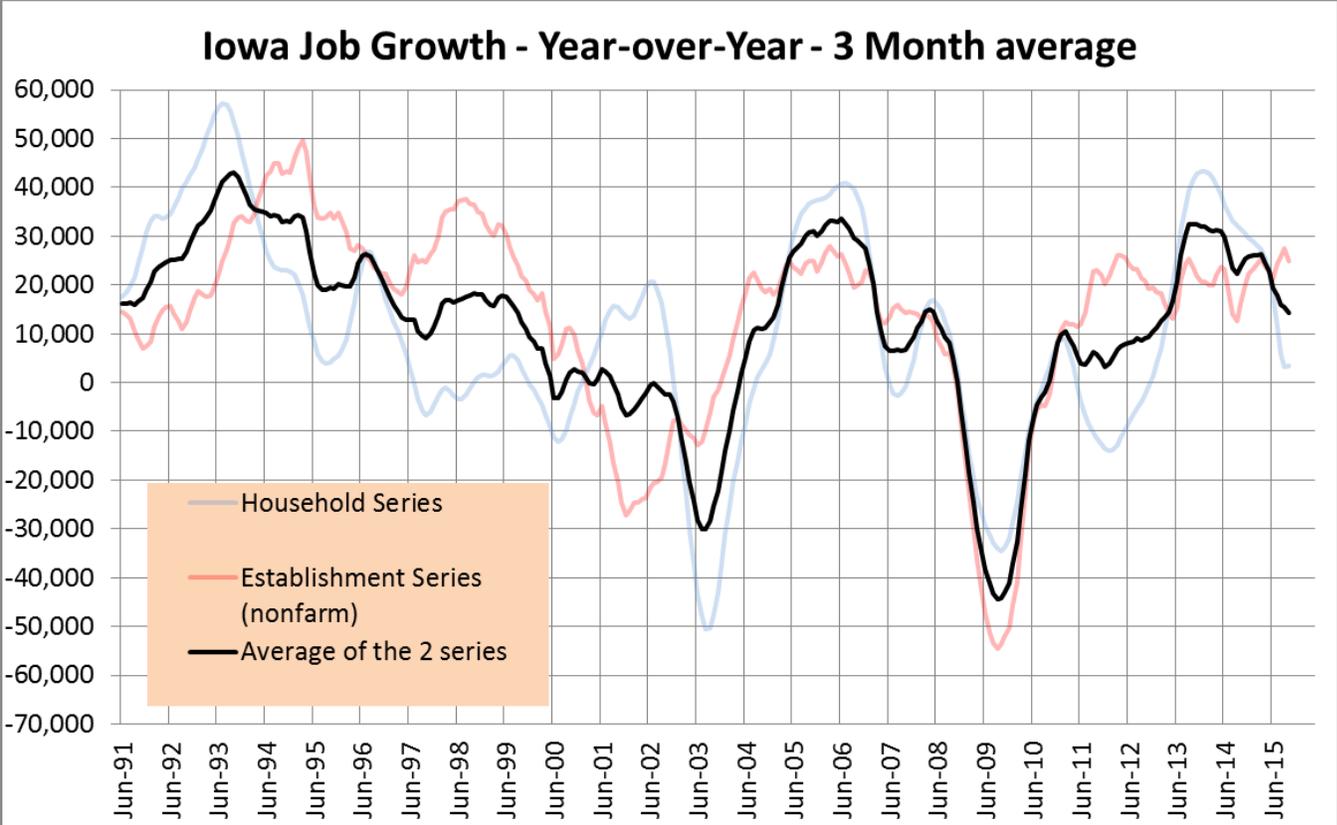
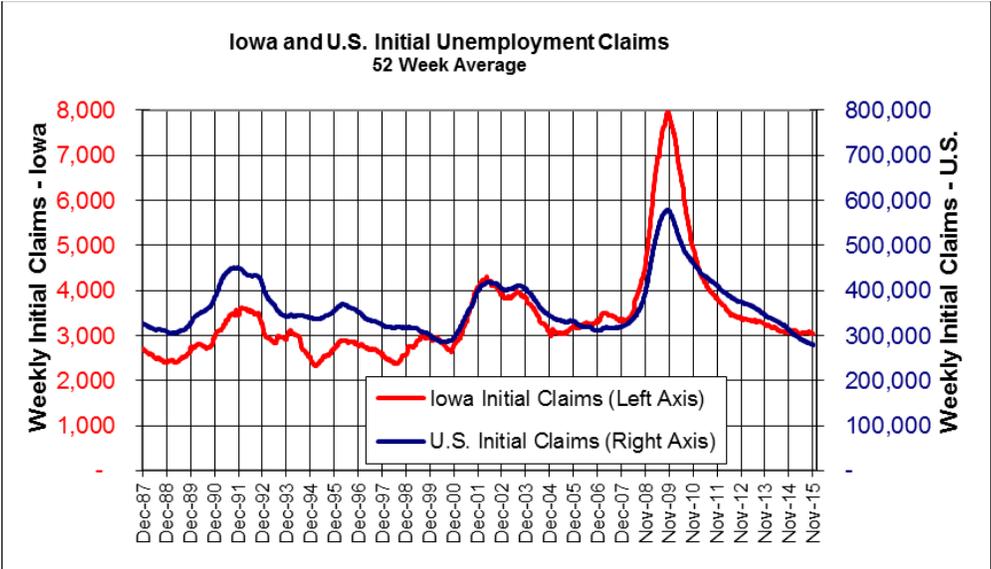
Net General Fund Receipts Through December 14, 2015

Cash Fiscal Year-to-Date, Gross Receipts Net of Refunds

	FY 2015	FY 2016	\$ Diff	% Dif
Net Income	\$ 1,523.1	\$ 1,596.1	\$ 73.0	4.8%
Net Sales	1,062.4	1,088.0	25.6	2.4%
Net Corporate	154.1	74.6	(79.5)	-51.6%
Net Franchise	1.9	9.4	7.5	394.7%
Net Other Taxes	101.0	106.9	5.9	5.8%
Other Revenue	120.0	125.4	5.4	4.5%
Net Revenue	\$ 2,962.5	\$ 3,000.4	\$ 37.9	1.3%

U.S. Initial Unemployment Claims - Four week average





Iowa Leading Indicators Index

Gray Bars Indicate U.S. Recessions

