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STATE OF IOWA
LEGISLATIVE FISCAL BUREAU

MEMORANDUM



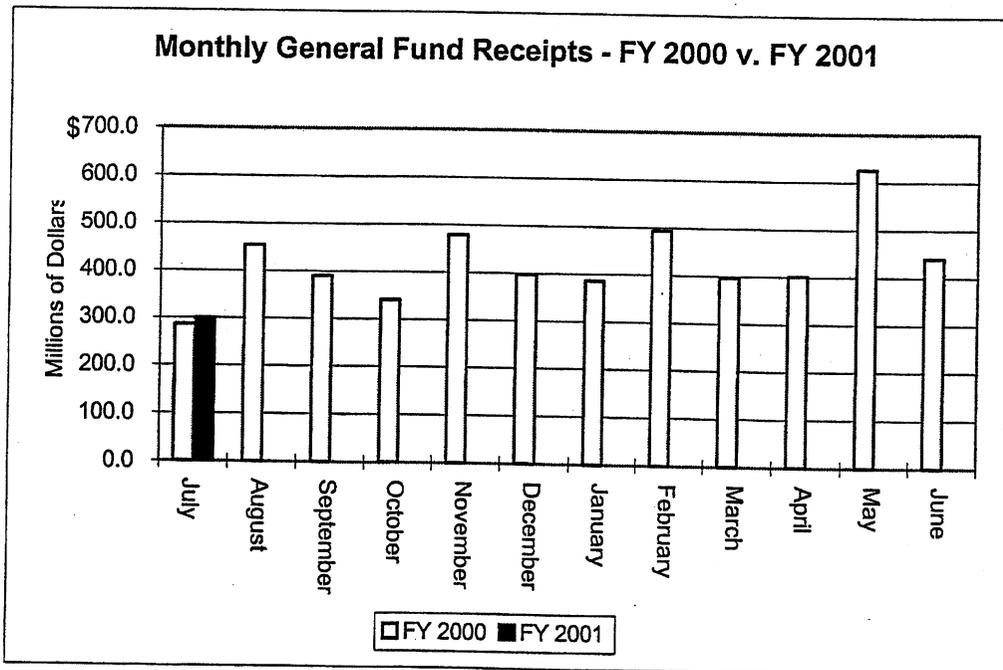
TO: Members of the Iowa Senate and
Members of the Iowa House of Representatives

FROM: Dennis C. Prouty *DCP*

DATE: August 1, 2000

General Fund Receipts Through July 31, 2000

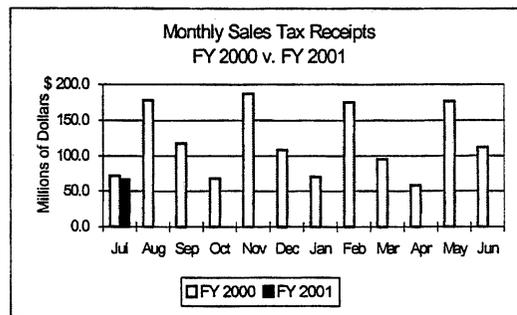
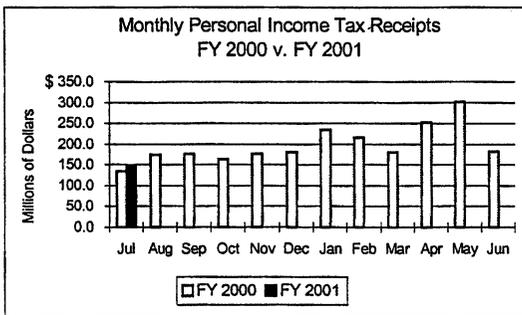
The attached spreadsheet represents total FY 2001 estimated General Fund receipts, with comparable figures for actual FY 2000. These can be compared to the latest FY 2001 estimate (\$5.276 billion) set by the Revenue Estimating Conference (REC) on April 7, 2000. The estimate represents an increase of \$179.3 million (3.5%) compared to actual FY 2000.



GENERAL FUND RECEIPTS - FY 2001 vs. FY 2000		ESTIMATED GENERAL FUND RECEIPTS			
July 1 through July 31, in millions of dollars		in millions of dollars			
Dollars may not add due to rounding		FY 00 Actual Compared to FY 01 REC Estimate			
	Year to Date		July		
	FY 2000	FY 2001	% CHANGE	% CHANGE	
Personal Income Tax	\$ 135.2	\$ 146.9	8.7%	8.7%	Actual FY 2000
Sales Tax	71.4	66.8	-6.4%	-6.4%	Estimate FY 2001
Use Tax	22.4	18.5	17.5%	17.5%	% CHANGE
Corporate Income Tax	12.8	14.6	14.0%	14.0%	
Inheritance Tax	8.4	7.3	13.6%	13.6%	
Insurance Premium Tax	0.0	0.0	n/m	n/m	
Cigarette Tax	7.1	8.0	12.8%	12.8%	
Tobacco Tax	0.7	0.5	-25.1%	-25.1%	
Beer Tax	1.3	1.4	2.9%	2.9%	
Franchise Tax	2.1	2.3	9.4%	9.4%	
Miscellaneous Tax	1.5	1.1	-24.0%	-24.0%	
Total Special Taxes	\$ 262.9	\$ 267.5	1.7%	1.7%	\$ 4,744.8
Institutional Payments	2.0	3.6	80.0%	80.0%	\$ 4,927.2
Liquor Transfers:					49.7
Profits	0.0	2.0	n/m	n/m	36.0
7% Gross Revenue	0.8	0.8	0.0%	0.0%	9.0
Interest	1.0	0.8	-17.8%	-17.8%	26.0
Fees	8.7	7.1	-18.0%	-18.0%	66.3
Judicial Revenue	6.2	5.9	-4.7%	-4.7%	52.3
Miscellaneous Receipts	2.9	3.5	20.4%	20.4%	52.7
Racing and Gaming Receipt	8.5	8.2	-3.9%	-3.9%	60.0
TOTAL RECEIPTS	292.9	299.4	2.2%	2.2%	\$ 5,096.8
					\$ 5,276.1
					3.5%

FY 2001 Compared to FY 2000

Year-to-date FY 2001 revenue increased by \$6.4 million (2.2%) compared to FY 2000. This is below the REC estimate of 3.5% for FY 2001.



Gross personal income tax revenues received in July totaled \$146.9 million, an increase of \$11.7 million (8.7%) compared to July 1999.

The REC FY 2001 income tax estimate of \$2.490 billion represents a projected increase of 4.8% compared to actual FY 2000.

Withholding receipts increased in July by 4.2% compared to July 1999 while estimated payments increased 16.1%.

The Chart above compares monthly personal income tax receipts for FY 2001 with FY 2000.

Sales tax receipts in July totaled \$66.8 million, a decrease of \$4.6 million (6.4%) compared to July 1999. The REC estimate for FY 2000 sales tax receipts is \$1.497 billion, which represents an increase of 5.7% compared to actual FY 2000.

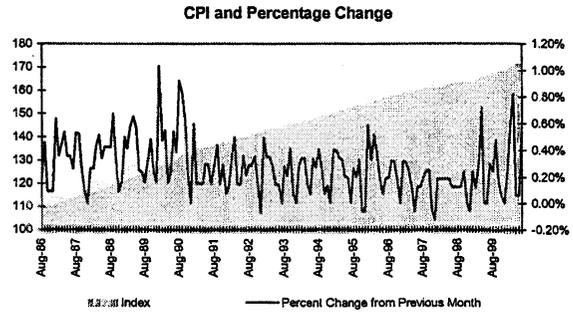
The Chart above compares monthly sales tax receipts for FY 2001 with FY 2000.

Corporate income tax receipts increased in July by \$1.8 million (13.6%) compared to July 1999. The REC projected FY 2001 corporate income tax receipts at \$318.1 million, a decrease of 2.5% compared to actual FY 2000.

Status of the Economy

The seasonally adjusted percent unemployed for the State in June fell from May's rate of 2.3% to 2.2%. The unemployment rate a year ago was 2.6%. Iowa's total June employment registered 1,538,600, down from May's level of 1,542,100. The number of unemployed persons in Iowa stood at 34,200 in June, which is down from May's level of 36,300. The U.S. unemployment rate for June was 4.0%.

Consumer prices in June rose by 0.6% from May's level. The Consumer Price Index (CPI-U) through June 2000 was 172.3 (1983=100), which is 3.7% higher than one year. The following series illustrate U.S. and Iowa unemployment comparisons and the CPI through June 2000.



Information related to State General Fund receipts is available electronically through the Fiscal Bureau's Electronic Publishing of Information System (EPI). If you have questions regarding this service, you may contact Glen Dickinson (515-281-4616).