



Department of Revenue

Presentation for
**Administration and Regulation
Appropriations Subcommittee**

Mary Mosiman, Director

2 March 2026

About the Department

Mission

To serve Iowans through the responsible collection and generation of revenue to support the public good.

Vision

Iowa will be a state that uses innovation to make it simple to comply with revenue laws and deliver fun and fair lottery experiences.

Values

Integrity first. Dedicated to teamwork. Ready to serve.

About the Department

Iowa Department of Revenue Mary Mosiman	Public Information Officer John Fuller
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Alcohol & Tax Compliance Spencer Morehouse	Alcohol & Tax Operations Sam Hoerr	Financial Services Steve French	Internal Services Darina Petkova	Legal Services Alana Stamas	Local Government Services Joy Kanne	Lottery Matt Strawn	Research & Policy Robin Anderson
Individual & Corporate Tax & Alcohol Licensing Kevan Irvine	Alcohol Operations Jared Longfield	Accounting	Customer Experience Rachael Krier	Enforcement Actions and Appeals	Appraisal	Investigations Steve Waymire	Tax Research & Program Analysis Anthony Girardi
		Budget	Data Analytics Jeff Meis			Sales & Marketing Jon Roth	
Sales & Excise Tax & Alcohol Regulation DeMario Luttrell	Collections Bill Watson	Procurement	Human Resources Alex Vongnhay	Legal Services	Equalization, Assessor Education, & Distributions	Systems Hale Strasser	Policy
	Tax Operations Chet Eginore	Lottery Internal Audit / Draw	Strategy Realization Andy Gress			External Relations	
			Security & Disclosure Unit				

Division
Bureau
Section

FY 2027 Department of Revenue Goals

Responsible Revenue Generation

- Complete the Modernization Program to streamline workflows, increase knowledge, and improve efficiency.
- Support revenue generation from alcohol and lottery sales through a responsive, consultative selling approach.
- Improve revenue generation by optimizing the use of collections tools and back-end compliance programs.

Department Optimization

- Improve customer service rates related to interactions with lowans and Iowa employers by enhancing self-service and call center capabilities.
- Expedite appeal processing by implementing streamlined procedures and leveraging potential automation tools to reduce the average time to close a case or move it to litigation.

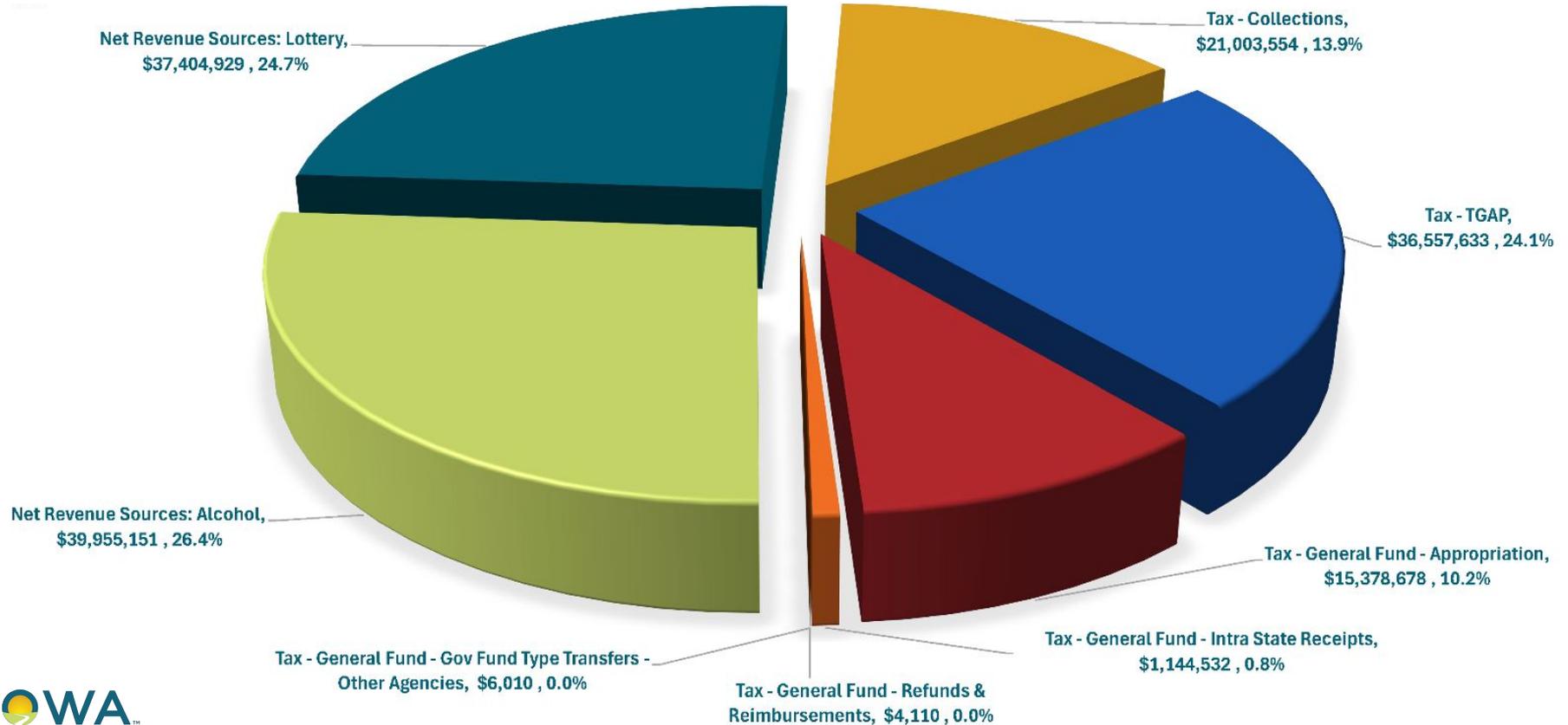


Department of Revenue

FY 2027 Revenue Sources

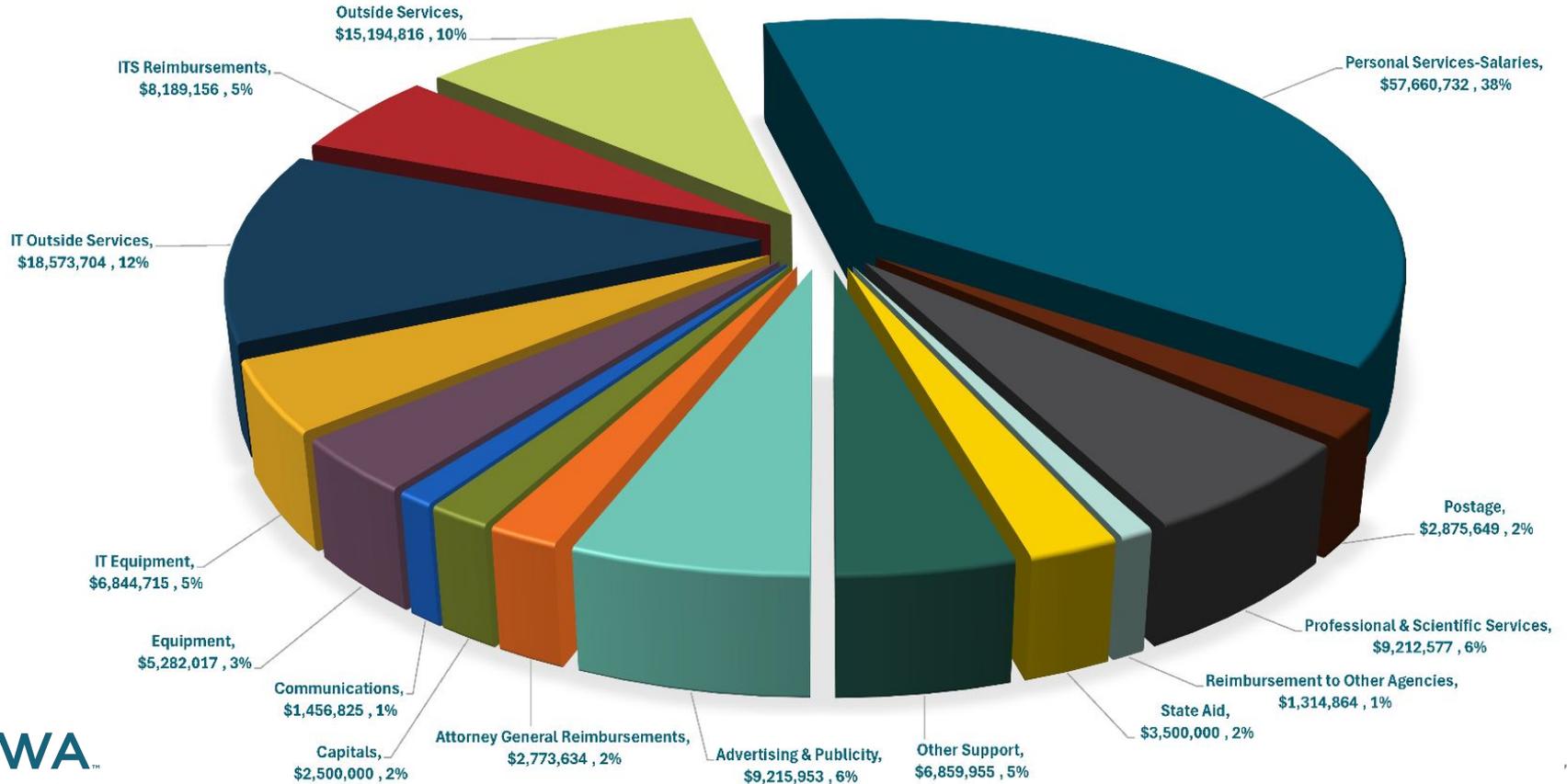
FY27 Total Revenue

Total \$ 151,454,597



FY27 Total Expenses

Total \$ 151,454,597



Alcohol Industry

Native wineries: 109

Native breweries/brew pubs: 144

Native Distilleries: 31

Spirit Manufacturers: 19

Alcohol Sales Fiscal Year Comparison

	FY24 Actuals	FY25 Actuals	FY27 BUDGET
Liquor Sales Revenue*	\$444,896,579	\$434,938,128	\$409,304,000
Split Case Fee	\$2,683,047	\$2,415,233	\$2,240,000
Bottle Deposit/Surcharge	\$5,429,982	\$5,669,921	\$5,376,000
Wine Tax	\$7,311,901	\$7,015,784	\$7,000,000
License Fees	\$15,245,021	\$15,580,786	\$15,250,000
Native Wine Tax - IEDA	\$175,514	\$168,615	\$175,000
Native Beer Tax - IEDA	\$217,551	\$197,436	\$215,000
Beer Tax - GF	\$12,661,074	\$12,275,814	\$12,600,000
	\$488,620,669	\$478,261,717	\$452,160,000

Alcohol Proceeds

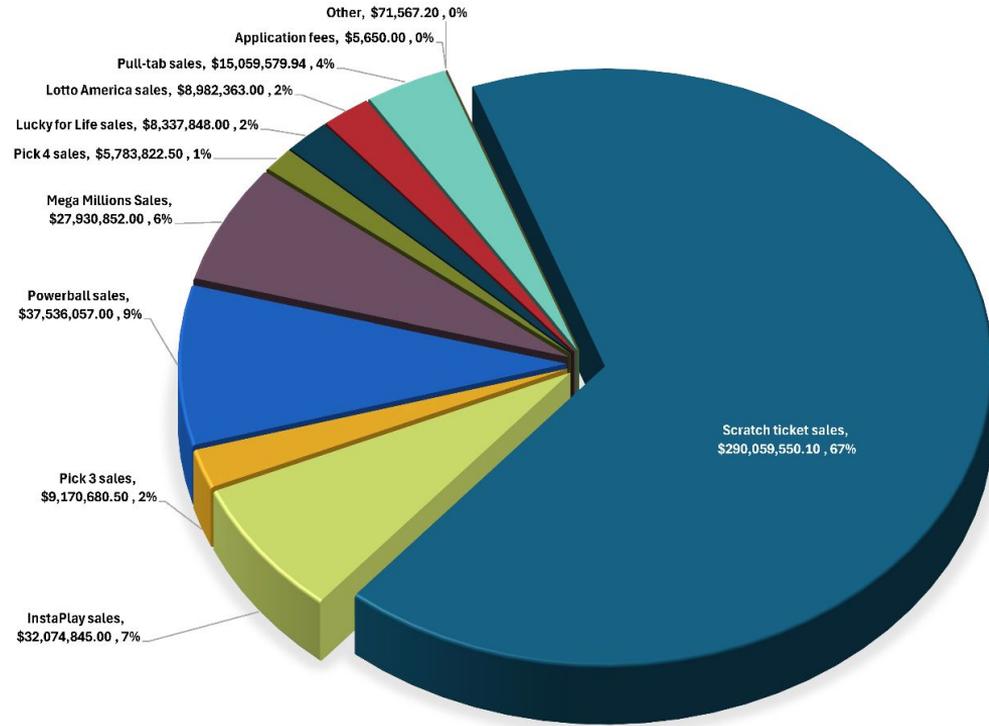
		FY24 Actuals	FY25 Actuals	FY27 BUDGETED
State General Fund Transfer - GF		\$119,485,570	\$109,700,000	\$98,348,720
Substance Abuse Transfer (7% sales) - General Fund (GF)		\$31,329,875	\$30,614,714	\$28,651,280
Iowa Economic Development Transfer		\$2,094,217	\$2,089,170	\$2,000,000
HHS Transfer (formerly Sunday Sales)		\$1,000,000	\$1,000,000	\$0
City and County Payments		\$3,411,174	\$3,561,138	\$3,500,000
Bottle Deposit & Surcharge		\$3,188,991	\$3,191,058	\$3,279,600
License & Liquor Refunds		\$201,196	\$256,774	\$215,000
Intra-Department Transfer		\$762,000	\$0	\$0
Capital Projects		\$709,140	\$110,779	\$2,500,000
Appropriation		\$1,010,054	\$0	\$0
		\$163,192,217	\$150,523,633	\$138,494,600

Iowa as a Control State

- In the United States, alcohol is regulated under a structure called the Three-Tier System. The three tiers of this system are: Manufacturers (makers), Wholesalers (movers), and Retailers (sellers)
- Each state has adopted its own unique version of the Three-Tier System that meets its particular needs and objectives. In general, states are considered either License or Control States.
 - **License States:** Private businesses are licensed by the State to perform the functions of the Three-Tier System
 - **Control States:** State Government performs the functions of one or more tiers of the Three-Tier System, most often the Retail and/or Wholesale tiers.
 - Iowa is one of 17 Control States.
- Since 1934, the State of Iowa has acted as the wholesaler of liquor. Today, through a highly successful public-private partnership with Ruan Transportation Company, the state warehouses over 3,000 liquor products and distributes to over 2,200 retail locations.

Fiscal Year Comparison of Lottery Sales by Product Category

	SFY24	SFY25	Budgeted SFY27
Scratch ticket sales	\$302,133,445.00	\$290,059,550.10	\$275,000,000.00
InstaPlay sales	\$27,985,302.00	\$32,074,845.00	\$27,000,000.00
Pick 3 sales	\$9,098,474.00	\$9,170,680.50	\$8,570,200.00
Powerball sales	\$77,259,702.50	\$37,536,057.00	\$48,980,800.00
Mega Millions Sales	\$39,142,572.00	\$27,930,852.00	\$29,976,475.00
Pick 4 sales	\$5,927,189.00	\$5,783,822.50	\$5,047,600.00
Lucky for Life sales	\$8,570,256.00	\$8,337,848.00	\$9,000,000.00
Lotto America sales	\$6,713,029.00	\$8,982,363.00	\$8,000,000.00
Pull-tab sales	\$13,051,144.14	\$15,059,579.94	\$12,500,000.00
Application fees	\$5,550.00	\$5,650.00	\$5,000.00
Other	\$10,842.30	\$71,567.20	\$23,500.00
Total Operating Revenue	\$489,897,505.94	435,012,815.24	\$435,098,775.00



Lottery Proceeds Fiscal Year Comparison

SFY24 Actuals	SFY25 Actuals	Budgeted SFY27	
\$2,500,000.00	\$2,500,000.00	\$2,500,000.00	Veterans Trust Fund
\$100,000.00	\$100,000.00	\$100,000.00	Department of Public Safety Survivor Benefits Fund
\$100,000.00	\$100,000.00	\$100,000.00	Department of Corrections Survivor Benefits Fund
\$2,700,000.00	\$2,700,000.00	\$2,700,000.00	
\$103,922,007.74	\$83,446,698.69	\$81,568,457.00	Reverted to General Fund
\$106,622,007.74	\$86,146,698.69	\$84,268,457.00	Total Proceeds to State Causes



Department of Revenue

Engagement at a Glance

Call Center, GovConnectIowa, and More



During FY25, GovConnectIowa has facilitated:



436,000+ logged in users



\$13.4+ billion in payments processed



\$100.3+ million in debt collected



18,103 license applications and renewals



402 forms available electronically



1.08+ million tax returns



3.73 minutes to file a Sales and Use return

1.89 minutes to file a Withholding return

The Department won the GovX Summit State Government Experience award for GovConnectIowa: Modernizing State Services through Innovation and Accessibility.

Customer Engagement Statistics

Call Center



Average Call Time
5:40



Average Wait Time
1:47



Average Abandonment Rate
6%



Total Calls
222,226

The Kernel

(new Feb 2024)



Chats Received
21,495



Chat Responses
29,304



Confidence Rating
86%

Send a Message

(new Nov 2023)



Messages Received
22,662



Response within 24 Hours
82%

Education & Outreach

GovDelivery Bulletins

171 Bulletins with 488,555 unique opens and 35,274 subscribers (up 10%)

Social Media

LinkedIn connections up 20%; YouTube subscribers up 41%

Speaking Engagements & Presentations

115 virtual and in-person presentations; 7 webinars

Tax Processing and Refund Data

Individual Income Tax Return Processing

Weekly Electronic Return Volume - Returns Processed



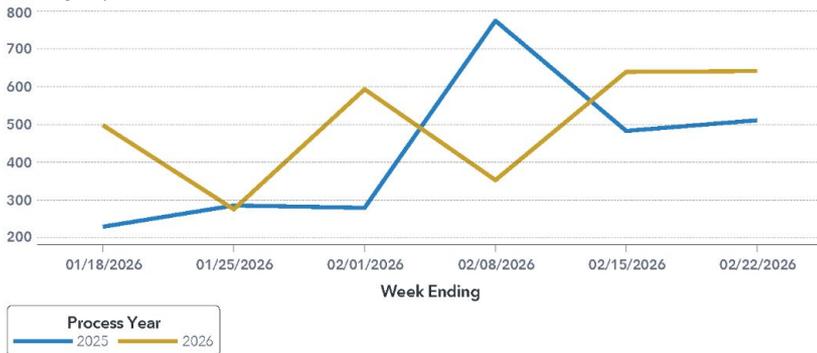
Average Days to Process

23

Year-to-Date Processing Totals - Returns Processed

Year	2025		2026	
Type	YTD Total	Percent Change	YTD Total	Percent Change
MeF	408,802	4.35%	418,569	2.39%
Paper	2,615	-30.15%	3,117	19.20%
Total	411,417	4.03%	421,686	2.50%

Weekly Paper Return Volume - Returns Processed



E-File Percentage





Department of Revenue

Thank you!