

FISCAL UPDATE Article

Fiscal Services Division

December 13, 2021



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

REVENUE ESTIMATING CONFERENCE — DECEMBER 2021

Revenue Estimate. The Revenue Estimating Conference (REC) met on December 13, 2021, and increased the estimated FY 2022 net General Fund Receipts by \$126.4 million compared to the FY 2022 October estimate.

Fiscal Year 2022. The December REC estimate for FY 2022 net General Fund receipts, including transfers, totals \$9.061 billion, an increase of \$260.0 million (3.0%) compared to actual FY 2021. The estimated changes include a decrease of 0.8% in gross personal income tax, an increase of 5.2% in gross sales/use tax, and a decrease of 5.7% in gross corporate income tax receipts. The following table provides additional detail for the FY 2022 revenue projection.

FY 2022 Revenue Estimating Conference Projection

Dollars in Millions

	Actual FY 2021	October FY 2022 Estimate	December FY 2022 Estimate	Change Compared to October	Change Compared to FY 2021 Actual	
Personal Income Tax	\$ 5,434.5	\$ 5,317.9	\$ 5,391.5	\$ 73.6	\$ -43.0	-0.8%
Sales/Use Tax	3,512.3	3,634.1	3,695.6	61.5	183.3	5.2%
Corporate Tax	983.8	884.2	928.2	44.0	-55.6	-5.7%
Other Taxes	349.0	339.5	338.0	-1.5	-11.0	-3.2%
Total Taxes	\$ 10,279.6	\$ 10,175.7	\$ 10,353.3	\$ 177.6	\$ 73.7	0.7%
Other Receipts	345.4	331.9	339.8	7.9	-5.6	-1.6%
Gross Tax and Receipts	\$ 10,625.0	\$ 10,507.6	\$ 10,693.1	\$ 185.5	\$ 68.1	0.6%
Accruals (Net)	-274.9	10.0	18.0	8.0	292.9	
Refund (Accrual Basis)	-1,114.5	-1,124.2	-1,178.7	-54.5	-64.2	5.8%
School Infrast. Refunds (Accrual)	-560.4	-588.2	-596.8	-8.6	-36.4	6.5%
Total Net Receipts	\$ 8,675.2	\$ 8,805.2	\$ 8,935.6	\$ 130.4	\$ 260.4	3.0%
Transfers (Accrual Basis)	\$ 125.4	\$ 129.0	\$ 125.0	\$ -4.0	\$ -0.4	-0.3%
Net Receipts Plus Transfers	\$ 8,800.6	\$ 8,934.2	\$ 9,060.6	\$ 126.4	\$ 260.0	3.0%

Fiscal Year 2023. The REC established an estimate of \$9.211 billion for FY 2023. This is an increase of \$150.0 million (1.7%) compared to the revised FY 2022 estimate. The estimated changes include an increase of 1.7% in gross personal income tax, an increase of 3.3% in gross sales/use tax, and a decrease of 0.7% in gross corporate income tax receipts. The following table provides additional detail for the FY 2023 revenue projection.

FY 2023 Revenue Estimating Conference Projection

Dollars in Millions

	Actual FY 2021	December FY 2022 Estimate	December FY 2023 Estimate	Change Compared to FY 2022 Estimate	
Personal Income Tax	\$ 5,434.5	\$ 5,391.5	\$ 5,484.5	\$ 93.0	1.7%
Sales/Use Tax	3,512.3	3,695.6	3,816.2	120.6	3.3%
Corporate Tax	983.8	928.2	922.1	-6.1	-0.7%
Other Taxes	349.0	338.0	334.3	-3.7	-1.1%
Total Taxes	\$ 10,279.6	\$ 10,353.3	\$ 10,557.1	\$ 203.8	2.0%
Other Receipts	345.4	339.8	340.7	0.9	0.3%
Gross Tax and Receipts	\$ 10,625.0	\$ 10,693.1	\$ 10,897.8	\$ 204.7	1.9%
Accruals (Net)	-274.9	18.0	16.3	-1.7	
Refund (Accrual Basis)	-1,114.5	-1,178.7	-1,207.9	-29.2	2.5%
School Infrast. Refunds (Accrual)	-560.4	-596.8	-623.6	-26.8	4.5%
Total Net Receipts	\$ 8,675.2	\$ 8,935.6	\$ 9,082.6	\$ 147.0	1.6%
Transfers (Accrual Basis)	\$ 125.4	\$ 125.0	\$ 128.0	\$ 3.0	2.4%
Net Receipts Plus Transfers	\$ 8,800.6	\$ 9,060.6	\$ 9,210.6	\$ 150.0	1.7%

Next Meeting. The next REC meeting will be held in March 2022. A detailed spreadsheet of the REC estimates is available on the Legislative Services Agency [website](#).

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