



Iowa Department of **REVENUE**

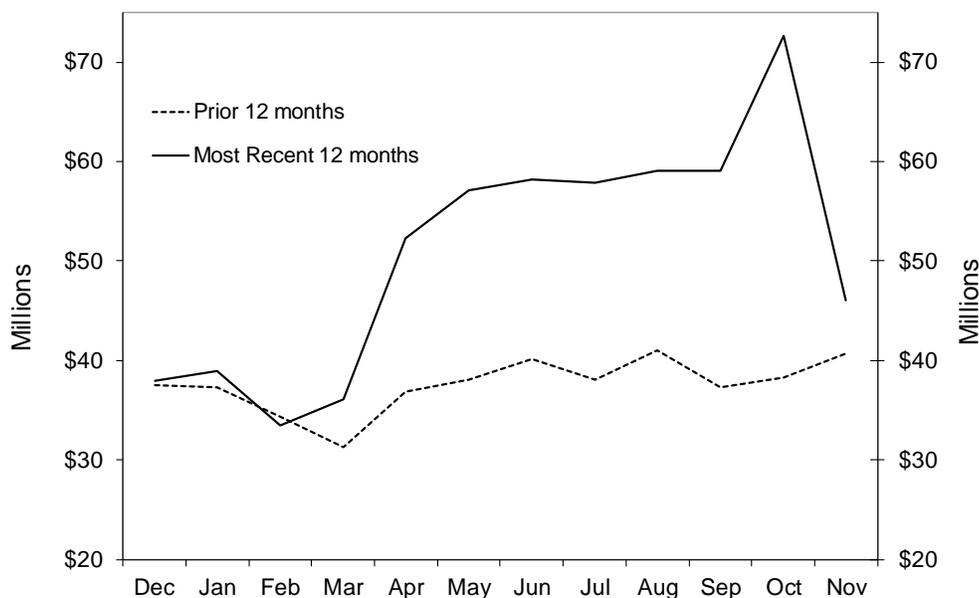
Fuel Tax Monthly Report for November 2015

The Iowa Fuel Tax Monthly Report presents the gross gallons of fuel delivered by Iowa licensed Suppliers, Blenders, Importers, Restrictive Suppliers, and Liquefied Petroleum Gas/Compressed Natural Gas Dealers and Users. The report captures information on a monthly basis and is made available on the Motor Fuel monthly reports page of the [Iowa Department of Revenue website](#). The Monthly Report is available no later than the last working day of the month following the tax reporting period covered in the Monthly Report. For example, information for the tax period June 1 through June 30, which is reported to the Department of Revenue during the reporting period July 1 to July 31, is contained in the July Monthly Report.

Page 3 of the report shows monthly collections for ten fuel types as well as collections from prior tax periods reported as accounts receivable. Fiscal Year-To-Date and Prior Fiscal Year-To-Date collections, refunds and credits, and collections less refunds and credits are also provided, along with the percent change between the two years. Refund claims can be filed throughout the year, while credits are claimed only once a year on annual income tax returns.

Figure 1 compares monthly net collections across the last 24 months. Net collections were \$46.1 million in November 2015, 13 percent higher than in November 2014. Recent growth in net collections partly reflects tax rate increases that became effective in March. With a reported 213.1 million taxable gallons of various fuel types subject to the higher tax rates in November, the estimated increase in collections as a result of the rate increases is \$21.2 million. While taxable gallons increased between October and November, collections between the months decreased. This reflects October prepayments for taxes due in November by some taxpayers.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for November 2015**



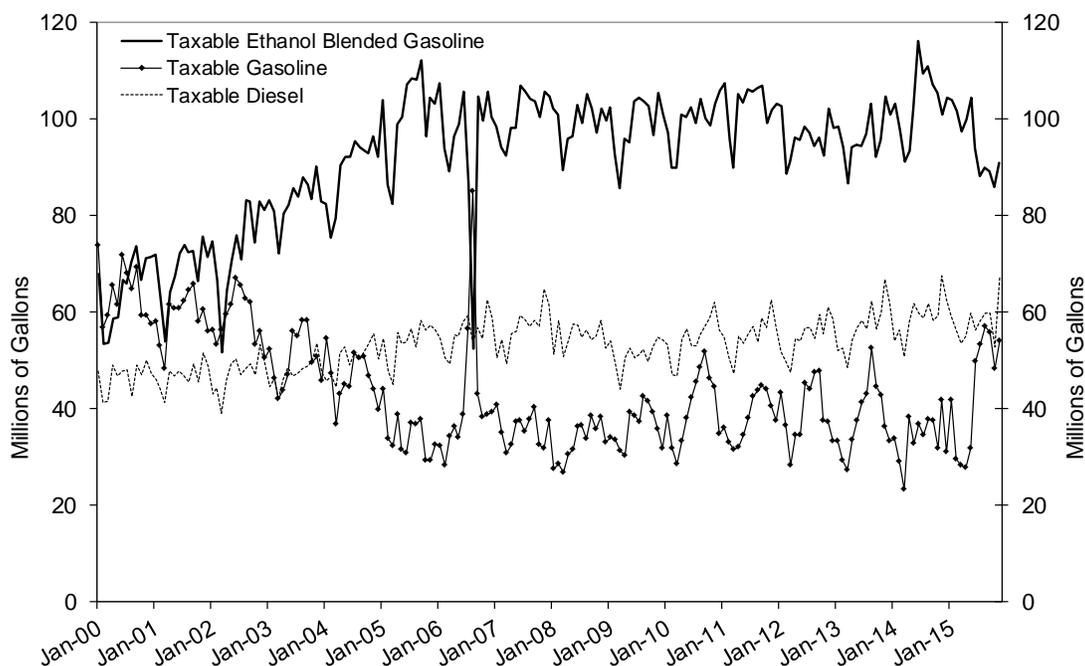
Source: Iowa Department of Revenue

Page 4 of the report shows gross gallons and taxable gallons by fuel type. Exported gallons account for most of the difference between gross and taxable amounts since Iowa exports well over half of the ethanol blended gasoline produced in the state. Though infrequent, the number of taxable gallons may be reported in a month other than that for which taxes are remitted.

Collections and gallon amounts contained in this report are from the Supplier/Terminal or “Rack” level, not the retail level. Further blending of products may occur throughout the fuel distribution chain. This is the case for most E85 (gasoline blended with 70 to 85 percent ethanol) gallons, so the gallons reported for this fuel type are far below the number of retail gallons sold in Iowa.

In 2000, taxable sales of ethanol blended gasoline and gasoline were roughly equal. As Figure 2 shows, demand shifted over the next six years to ethanol blended gasoline, except for August 2006 when a temporary price change drove a brief reversal in demand. Over the last eight years, ethanol blended gasoline has accounted for a monthly average of 73 percent of taxable gallons of motor fuel. Since June 2015, the average percentage of taxable gallons reported as ethanol blended gasoline has fallen to 63 percent, reflecting a change in the manner in which the types of taxable gallons are reported by suppliers. Year-to-year comparisons of ethanol blended gasoline’s share of total taxable gallons should be made with attention to this limitation.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – November 2015



Source: Iowa Department of Revenue

The report also shows a breakdown of the refund dollar amounts by claim type for the month. Refunds are claimed against taxes paid on fuel that is used for non-taxable purposes, such as agricultural or commercial non-highway uses. Refunds are also claimed for excess tax on ethanol blended gasoline, B11 or higher blends, and denaturing alcohol. The excess tax on ethanol blended gasoline refund results when a blender purchases gasoline taxed at 30.8 cents per gallon and collects tax on the resulting ethanol blended gasoline at 29.3 cents per gallon. Therefore, the additional 1.5 cents paid on the gasoline is eligible for refund; similarly for the 3 cent gap between taxes on diesel and B11 or higher blends. The denaturing alcohol refund applies when the denaturant (gasoline) taxed at 30.8 cents per gallon is blended with food grade alcohol to produce ethanol. When a refund of Iowa fuel tax is granted for non-taxable usage, those gallons become subject to Iowa sales tax, unless a sales tax exemption applies. Sales tax collected on those gallons is included at the bottom of the final page of the monthly report.

**Iowa Department of Revenue
Fuel Tax Monthly Report
For Gallons Reported on Returns Filed in November 2015**

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$12,685,082	\$20,370,504	\$196,949	\$9,506
Collections	Total Remitted	\$33,262,041			
Permit Refunds	Total Refunded	<u>\$3,291,117</u>			
Collections Less Permit Refunds		Current Month \$29,970,924	Fiscal YTD \$199,220,927	Prior FYTD \$127,820,129	Change 55.86%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$141,251	\$16,073,889	\$646,221
Collections	Total Remitted	\$16,861,361			
Permit Refunds	Total Refunded	<u>\$802,781</u>			
Collections Less Permit Refunds		Current Month \$16,058,580	Fiscal YTD \$95,576,649	Prior FYTD \$67,562,606	Change 41.46%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$18,156	\$88	\$98,615
Collections	Total Remitted	\$116,859			
Permit Refunds	Total Refunded	<u>\$5,601</u>			
Collections Less Permit Refunds		Current Month \$111,258	Fiscal YTD \$396,831	Prior FYTD \$128,054	Change 209.89%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable	
			\$0	\$890
Collections	Total Remitted	<u>\$890</u>		
Misc. & Account Receivable		Current Month \$890	Fiscal YTD \$15,096	Prior FYTD \$178,732 -91.55%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$50,241,151	\$317,610,207	\$209,505,646	51.60%
Refunds				
Permit Refunds Including Interest	\$4,099,834			
Motor Fuel Individual/Corporate Credits	<u>\$57,656</u>			
Total Refunds and Credits	\$4,157,490	\$22,983,862	\$14,179,321	62.09%
Collections Less Permit Refunds and Credits	\$46,083,661	\$294,626,345	\$195,326,325	50.84%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	61,522,254	257,976,518	1,152,170	157,135	320,808,077
Exported Gallons	6,727,431	165,598,498	267,720	0	172,593,649
Distribution Allowance	874,933	1,434,993	7,630	2,131	2,319,687
Total Taxable Gallons	53,919,890	90,943,027	876,820	155,004	145,894,741
Remitted	\$12,685,082	\$20,370,504	\$196,949	\$9,506	\$33,262,041

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,169,139	78,983,496	9,761,978	92,914,613
Exported Gallons	466,551	13,994,170	6,901,803	21,362,524
Distribution Allowance	20,438	450,333	2,740	473,511
Total Taxable Gallons	3,682,150	64,538,993	2,857,435	71,078,578
Remitted	\$141,251	\$16,073,889	\$646,221	\$16,861,361

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	65,364	270	318,117
Remitted	\$18,156	\$88	\$98,615

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
36	Agricultural	5,068	7,967	0	0	13,035
5	Federal Government	3,445	989	0	0	4,434
12	State Government	288,632	67,436	0	0	356,068
147	Other Political	206,045	47,386	5,312	0	258,743
0	Urban Transit	0	0	0	0	0
0	Regional Transit	0	0	0	0	0
1	Native American	4,374	294	0	0	4,668
0	Contract Carrier	0	0	0	0	0
0	Commercial Fisherman	0	0	0	0	0
0	Home Heating	0	0	0	0	0
2	Extract of Nat'l Deposits	725	0	0	0	725
42	Denaturing Alcohol	2,241,399	0	0	273	2,241,672
107	Commercial	130,770	520,736	289	61	651,856
0	Refund Agent	0	0	0	0	0
6	Transport Diversions	29,505	64,148	0	0	93,653
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
13	Excess Tax on Blended Fuel	381,154	93,825	0	0	474,979
371	TOTALS	\$3,291,117	\$802,781	\$5,601	\$334	\$4,099,834

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$198,918