



Iowa Department of **REVENUE**

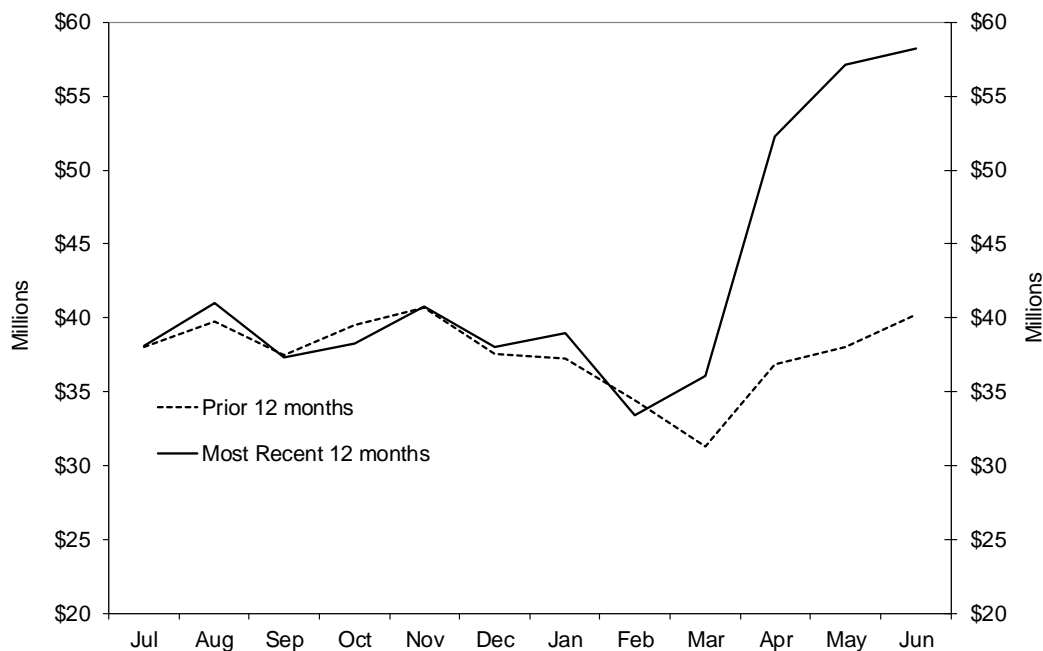
Fuel Tax Monthly Report for June 2015

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 May 1 through May 31, which is reported to the Department of Revenue during the reporting period June 1 to June 30, is contained in the June Monthly Report.

Page 3 of the report shows monthly collections for nine 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 \$58.2 million in June 2015, \$18.1 million higher than in June 2014. The sharp rise in net collections reflects the impact of tax rate increases that became effective on March 1, 2015. With a reported 203.9 million taxable gallons of various fuel types subject to the higher tax rates, the rate increases account for an estimated increase in collections of \$20.4 million during the month.

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



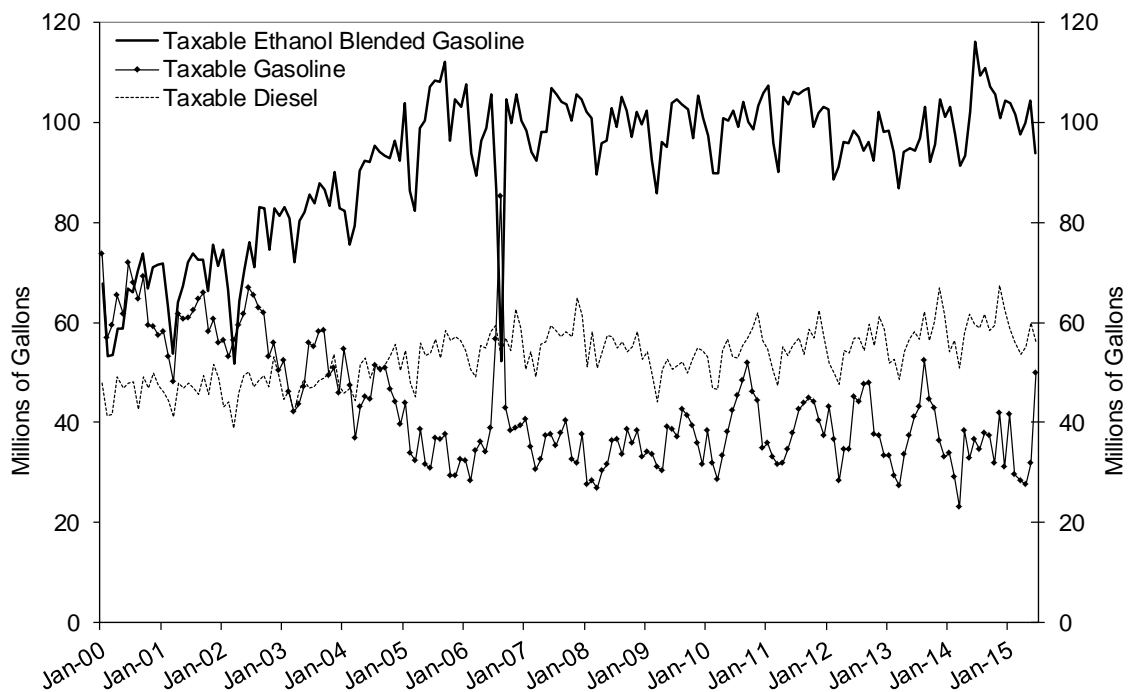
Source: Iowa Department of Revenue

Page 4 of the report displays gross gallons and taxable gallons by fuel type. The main factor in the difference between gross and taxable amounts is exported gallons, where Iowa exports well over half of the ethanol-blended gasoline produced in the state. Note that, though done infrequently, the number of taxable gallons is sometimes reported in a month other than that for which taxes are due and 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, therefore the gallons reported are far below actual retail gallons sold in Iowa.

In 2000, taxable sales of ethanol blended gasoline and gasoline were roughly equal. As Figure 2 shows, over the next six years demand shifted to ethanol blended gasoline sales which rose to over two-thirds of gallons sold, except for August 2006 when a temporary price shift drove a brief change in demand. Since 2007, ethanol blended gasoline has accounted for a monthly average of 73 percent of taxable gallons of motor fuel. However, in June 2015, ethanol blended gasoline accounted for just 65 percent of taxable gallons of motor fuel, falling below the last low point seen in August and September of 2012 when the share dipped to 67 percent.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – June 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 and denaturing alcohol. The excess tax on ethanol blended gasoline refund results when a blender purchases gasoline taxed at 31 cents per gallon and collects tax on the resulting ethanol blended gasoline at 29 cents per gallon; therefore, the additional 2 cents paid on the gasoline is eligible for refund. The denaturing alcohol refund applies when the denaturant (gasoline) taxed at 31 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 second page of the monthly report.

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

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$15,406,670	\$27,167,999	\$281,691	\$13,040
Collections	Total Remitted	\$42,869,400			
Permit Refunds	Total Refunded	<u>\$2,650,778</u>			
Collections Less Permit Refunds		Current Month \$40,218,622	Fiscal YTD \$337,488,472	Prior FYTD \$297,071,196	Change 13.61%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel		
			\$142,101	\$18,212,570	
Collections	Total Remitted	\$18,354,671			
Permit Refunds	Total Refunded	<u>\$333,520</u>			
Collections Less Permit Refunds		Current Month \$18,021,151	Fiscal YTD \$173,830,243	Prior FYTD \$156,066,754	Change 11.38%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$21,348	\$0	\$45,645
Collections	Total Remitted	\$66,993			
Permit Refunds	Total Refunded	<u>\$0</u>			
Collections Less Permit Refunds		Current Month \$66,993	Fiscal YTD \$444,522	Prior FYTD \$249,071	Change 78.47%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable		
			\$0	\$4,406	
Collections	Total Remitted	<u>\$4,406</u>			
Misc. & Account Receivable		Current Month \$4,406	Fiscal YTD \$348,242	Prior FYTD \$434,110	Change -19.78%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$61,295,470	\$544,287,604	\$481,437,374	13.05%
Refunds				
Permit Refunds Including Interest	\$2,984,314			
Motor Fuel Individual/Corporate Credits	<u>\$71,928</u>			
Total Refunds and Credits	\$3,056,242	\$34,904,643	\$30,558,852	14.22%
Collections Less Permit Refunds and Credits	\$58,239,228	\$509,382,961	\$450,878,522	12.98%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	57,767,946	262,942,778	1,267,117	165,846	322,143,687
Exported Gallons	7,105,793	167,464,685	283,281	0	174,853,759
Distribution Allowance	806,362	1,500,853	9,481	2,261	2,318,957
Total Taxable Gallons	49,855,791	93,977,240	974,355	163,585	144,970,971
Remitted	\$15,406,670	\$27,167,999	\$281,691	\$13,040	\$42,869,400

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	Special Fuel Total
Gross Gallons Received	3,251,563	72,636,381	75,887,944
Exported Gallons	381,751	16,057,022	16,438,773
Distribution Allowance	19,493	373,688	393,181
Total Taxable Gallons	2,850,319	56,205,671	59,055,990
Remitted	\$142,101	\$18,212,570	\$18,354,671

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	69,942	0	149,345
Remitted	\$21,348	\$0	\$45,645

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
20	Agricultural	1,661	5,374	0	0	7,035
10	Federal Government	73,030	11,092	0	0	84,122
12	State Government	18,565	303	0	0	18,869
146	Other Political	130,254	35,338	0	0	165,592
0	Urban Transit	0	0	0	0	0
0	Regional Transit	0	0	0	0	0
1	Native American	4,219	84	0	0	4,303
2	Contract Carrier	833	1,087	0	0	1,920
0	Commercial Fisherman	0	0	0	0	0
0	Home Heating	0	0	0	0	0
0	Extract of Nat'l Deposits	0	0	0	0	0
27	Denaturing Alcohol	1,658,448	0	0	0	1,658,448
81	Commercial	361,861	267,103	0	17	628,981
0	Refund Agent	0	0	0	0	0
8	Transport Diversions	5,754	10,157	0	0	15,911
0	Casualty Losses	0	0	0	0	0
3	Special Fuel Blending	0	2,981	0	0	2,981
9	Excess Tax on Ethanol Blended Gasoline	395,330	0	0	0	395,330
1	Excess Tax on E85	822	0	0	0	822
320	TOTALS	\$2,650,778	\$333,520	\$0	\$17	\$2,984,314

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$109,043