



Iowa Department of **REVENUE**

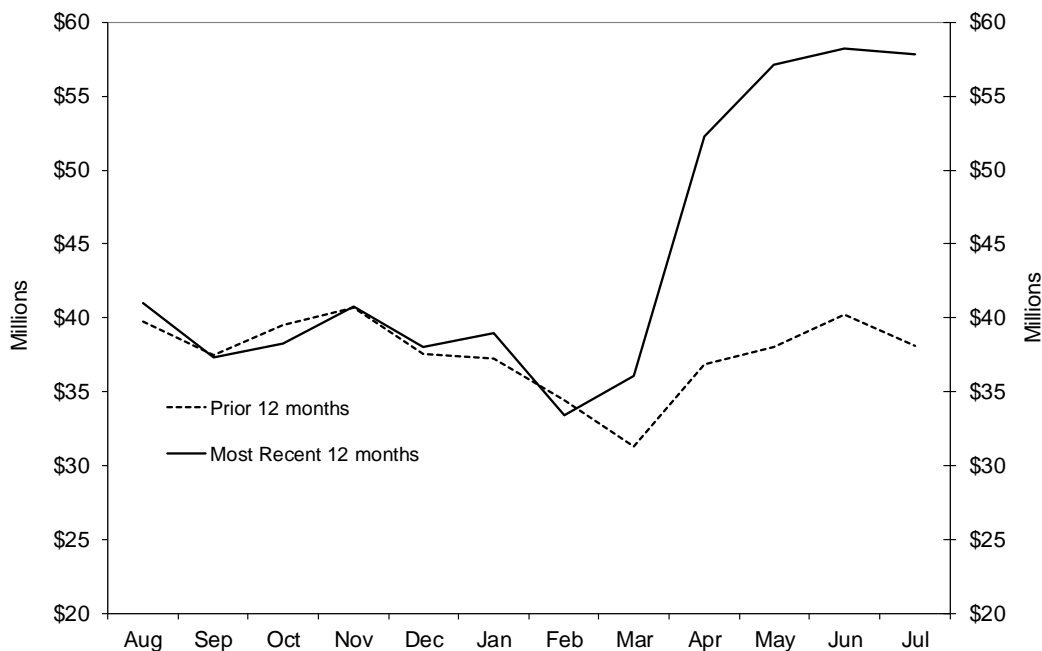
Fuel Tax Monthly Report for July 2015

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 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 \$57.8 million in June 2015, \$19.8 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 204.4 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 July 2015**



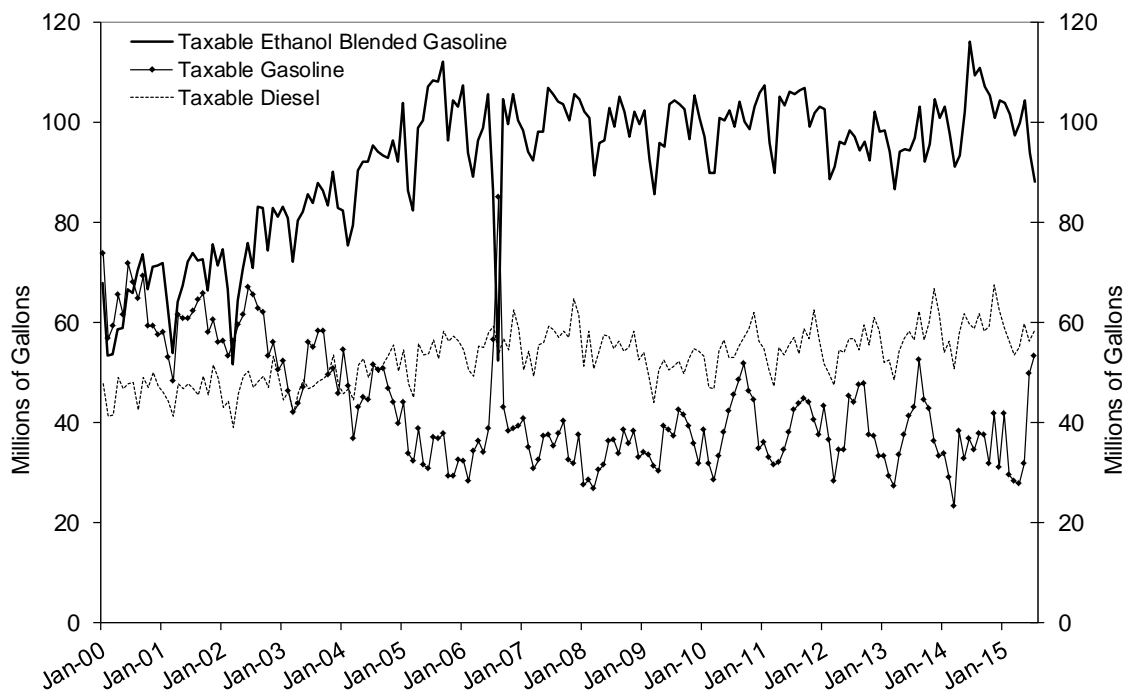
Source: Iowa Department of Revenue

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. Iowa exports well over half of the ethanol blended gasoline produced in the state. Though done infrequently, the number of taxable gallons may be reported in a month other than that for which taxes are due and remitted. The July 2015 report includes estimates of exported gallons for certain taxpayers.

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 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 July 2015, ethanol blended gasoline accounted for just 62 percent of taxable gallons of motor fuel, its lowest percentage since August 2006 when ethanol blended gasoline represented 38 percent of taxable gallons.

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

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$16,859,181	\$26,069,608	\$281,503	\$19,071
Collections	Total Remitted	\$43,229,363			
Permit Refunds	Total Refunded	<u>\$4,402,616</u>			
Collections Less Permit Refunds		Current Month \$38,826,747	Fiscal YTD \$38,826,747	Prior FYTD \$25,127,618	Change 54.52%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel		
			\$178,035	\$19,339,547	
Collections	Total Remitted	\$19,517,582			
Permit Refunds	Total Refunded	<u>\$454,451</u>			
Collections Less Permit Refunds		Current Month \$19,063,131	Fiscal YTD \$19,063,131	Prior FYTD \$13,005,392	Change 46.58%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$34,991	\$0	\$19,941
Collections	Total Remitted	\$54,932			
Permit Refunds	Total Refunded	<u>\$1,879</u>			
Collections Less Permit Refunds		Current Month \$53,053	Fiscal YTD \$53,053	Prior FYTD \$3,328	Change 1494.14%

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 \$4,406	Prior FYTD \$7,179	Change -38.63%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$62,806,283	\$62,806,283	\$41,299,664	52.07%
Refunds				
Permit Refunds Including Interest	\$4,858,959			
Motor Fuel Individual/Corporate Credits	<u>\$114,297</u>			
Total Refunds and Credits	\$4,973,256	\$4,973,256	\$3,243,174	53.35%
Collections Less Permit Refunds and Credits	\$57,833,027	\$57,833,027	\$38,056,490	51.97%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	60,724,720	256,950,877	1,382,488	237,119	319,295,204
Exported Gallons	6,507,945	167,335,829	421,726	0	174,265,500
Distribution Allowance	864,053	1,428,851	8,567	3,268	2,304,739
Total Taxable Gallons	53,352,722	88,186,197	952,195	233,851	142,724,965
Remitted	\$16,859,181	\$26,069,608	\$281,503	\$19,071	\$43,229,363

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	Special Fuel Total
Gross Gallons Received	3,874,898	80,394,919	84,269,817
Exported Gallons	359,037	21,628,942	21,987,979
Distribution Allowance	22,743	383,413	406,156
Total Taxable Gallons	3,493,118	58,382,564	61,875,682
Remitted	\$178,035	\$19,339,547	\$19,517,582

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	62,016	0	64,325
Remitted	\$34,991	\$0	\$19,941

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
49	Agricultural	6,468	9,909	0	0	16,378
5	Federal Government	1,255	307	0	0	1,562
26	State Government	62,224	1,947	0	0	64,171
485	Other Political	424,552	213,526	1,879	6	639,962
0	Urban Transit	0	0	0	0	0
0	Regional Transit	0	0	0	0	0
1	Native American	4,113	214	0	0	4,327
2	Contract Carrier	0	1,062	0	0	1,062
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
52	Denaturing Alcohol	3,043,564	0	0	0	3,043,564
123	Commercial	99,206	193,857	0	0	293,064
0	Refund Agent	0	0	0	0	0
7	Transport Diversions	358,523	33,627	0	0	392,151
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
9	Excess Tax on Ethanol Blended Gasoline	402,711	0	0	7	402,718
0	Excess Tax on E85	0	0	0	0	0
759	TOTALS	\$4,402,616	\$454,451	\$1,879	\$13	\$4,858,959

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$110,526