



# Iowa Department of **REVENUE**

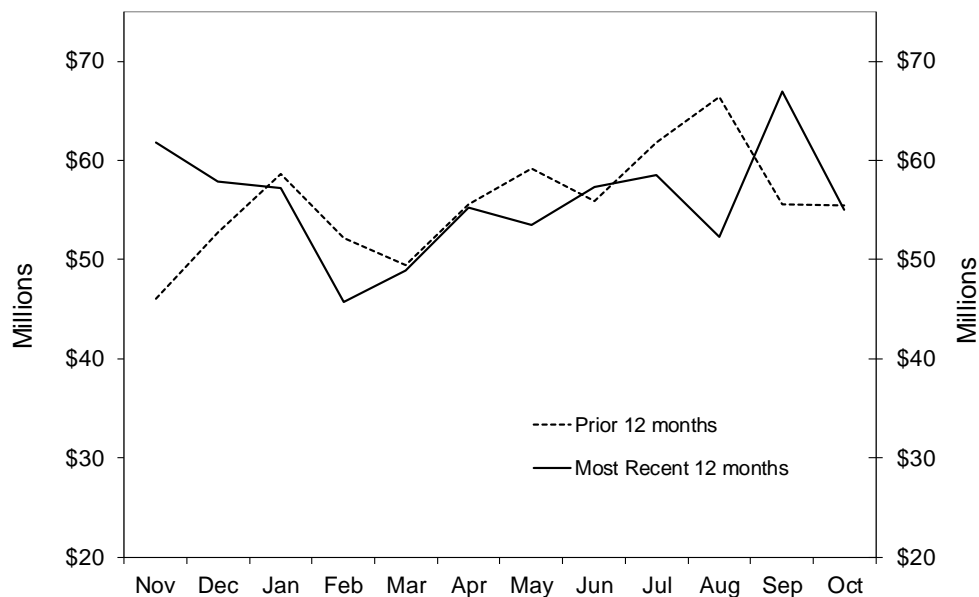
## Fuel Tax Monthly Report for October 2017

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 is published on the Motor Fuel monthly reports page of the [Iowa Department of Revenue website](#). Each month's report is available no later than the last working day of the month following the tax reporting period it covers.

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. While refund claims can be filed throughout the year, credits are claimed once annually on income tax returns.

Figure 1 compares monthly net collections across the last 24 months. In October 2017 collections were \$55.0 million. Virtually even with October of last year, monthly collections reflected a slight increase in diesel collections that nearly offset a decrease in collections from gasoline sales. Monthly collections were higher than prior year numbers in four of the last twelve months. Note, however, that the number of taxable gallons may be reported in a month other than that for which taxes are remitted; monthly net collections do not necessarily reflect the number of taxable gallons sold in the month.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:  
Most Recent 12 Months Compared to Prior 12 Months for October 2017**



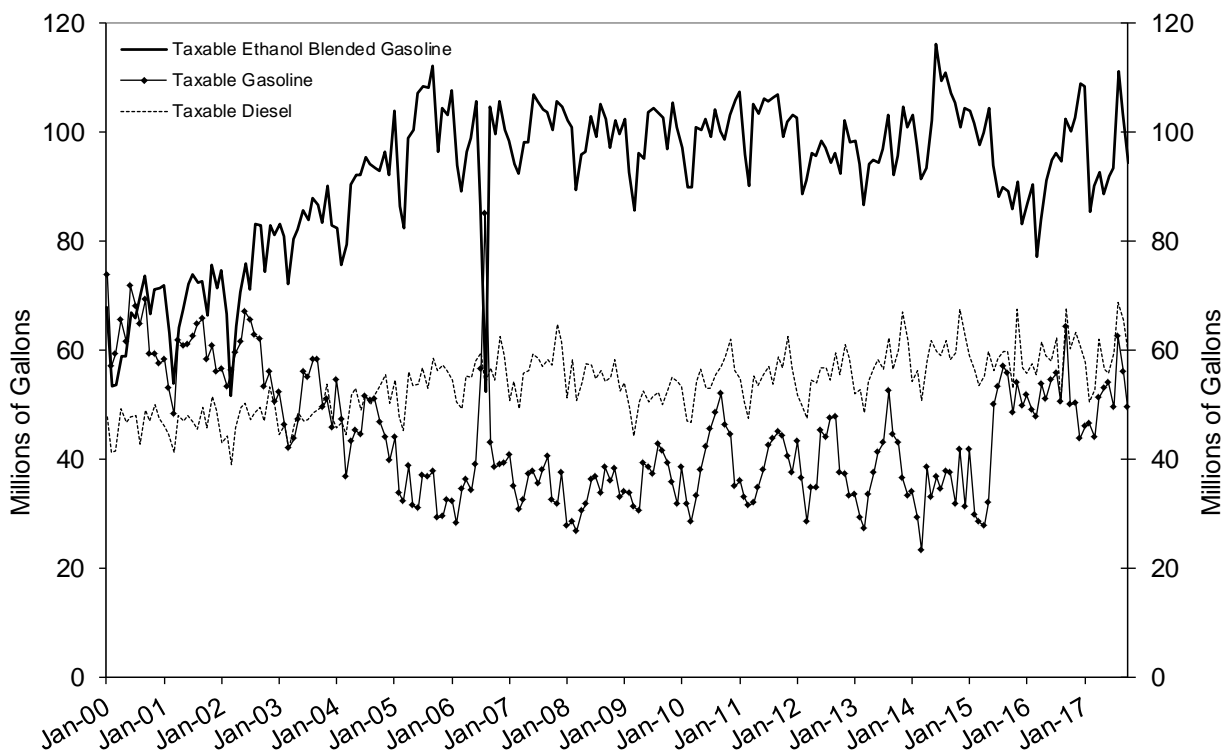
Source: Iowa Department of Revenue

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 along 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.

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.

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. Between 2005 and early 2015, ethanol blended gasoline accounted for a monthly average of 73 percent of taxable gallons of motor fuel. Beginning June 2015, the average percentage of taxable gallons reported as ethanol blended gasoline fell to 64 percent, reflecting a change in the manner in which the types of taxable gallons are reported by suppliers. Comparisons of ethanol blended gasoline's share of total taxable gallons over time should be made with attention to this limitation. In October 2017, gallons of ethanol blended gasoline represented 65.7 percent of motor fuel taxable gallons.

**Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – October 2017**



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 blended fuel and denaturing alcohol. The excess tax on blended fuel refund results when a blender purchases gasoline taxed at 30.5 cents per gallon and collects tax on the resulting ethanol blended gasoline at 29.0 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 30.5 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. The high value of denaturing refunds reflects claims by one supplier for over a year of activity.

**Iowa Department of Revenue  
Fuel Tax Monthly Report  
For Gallons Reported on Returns Filed in October 2017**

**MOTOR FUEL**

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$14,958,842	\$27,202,353	\$188,141	\$11,514
Collections	Total Remitted	\$42,360,850			
Permit Refunds	Total Refunded	<u>\$5,722,851</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$36,637,999	<b>Fiscal YTD</b> \$156,224,219	<b>Prior FYTD</b> \$165,595,117	<b>Change</b> -5.66%

**SPECIAL FUEL**

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$149,285	\$17,209,659	\$2,024,492
Collections	Total Remitted	\$19,383,436			
Permit Refunds	Total Refunded	<u>\$1,649,540</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$17,733,896	<b>Fiscal YTD</b> \$76,251,099	<b>Prior FYTD</b> \$73,655,038	<b>Change</b> 3.52%

**LPG, LNG, & CNG**

Detailed Collections		LPG	LNG	CNG	
			\$15,449	\$0	\$80,959
Collections	Total Remitted	\$96,408			
Permit Refunds	Total Refunded	<u>\$14,088</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$82,320	<b>Fiscal YTD</b> \$325,486	<b>Prior FYTD</b> \$331,295	<b>Change</b> -1.75%

**MISC. & ACCOUNTS RECEIVABLE**

Detailed Collections		Miscellaneous	Accounts Receivable	
			\$0	\$765,723
Collections	Total Remitted	<u>\$765,723</u>		
<b>Misc. &amp; Account Receivable</b>		<b>Current Month</b> \$765,723	<b>Fiscal YTD</b> \$858,205	<b>Prior FYTD</b> \$224,944

**TOTAL**

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$62,606,417	\$265,096,561	\$261,060,846	1.55%
Refunds				
Permit Refunds Including Interest	\$7,386,479			
Motor Fuel Individual/Corporate Credits	<u>\$240,713</u>			
<b>Total Refunds and Credits</b>	<b>\$7,627,192</b>	<b>\$32,415,755</b>	<b>\$21,839,413</b>	<b>48.43%</b>
<b>Collections Less Permit Refunds and Credits</b>	<b>\$54,979,226</b>	<b>\$232,680,807</b>	<b>\$239,221,433</b>	<b>-2.73%</b>

**Iowa Department of Revenue**  
**Fuel Tax Monthly Report**  
**For Gallons Reported on Returns Filed in October 2017**

**MOTOR FUEL GALLONS SUMMARY**

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	55,194,756	254,437,609	881,663	160,081	310,674,109
Exported Gallons	4,981,624	158,403,584	220,308	13,250	163,618,766
Distribution Allowance	802,333	1,533,995	7,737	1,807	2,345,872
Total Taxable Gallons	49,410,799	94,500,030	653,618	145,024	144,709,471
Remitted	\$14,958,842	\$27,202,353	\$188,141	\$11,514	\$42,360,850

**SPECIAL FUEL GALLONS SUMMARY**

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	3,584,854	65,063,867	18,014,448	86,663,169
Exported Gallons	565,698	11,346,495	11,081,349	22,993,542
Distribution Allowance	11,174	370,093	19,249	400,516
Total Taxable Gallons	3,007,982	53,347,279	6,913,850	63,269,111
Remitted	\$149,285	\$17,209,659	\$2,024,492	\$19,383,436

**LPG, LNG, & CNG GALLONS SUMMARY**

	LPG	LNG	CNG
Total Taxable Gallons	80,190	0	261,180
Remitted	\$15,449	\$0	\$80,959

**REFUND SUMMARY****DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
11	Agricultural	1,165	53,364	0	0	54,529
8	Federal Government	73,317	7,046	62	0	80,425
14	State Government	37,097	2,367	0	0	39,464
211	Other Political	319,903	98,657	0	0	418,560
0	Urban Transit	0	0	0	0	0
0	Regional Transit	0	0	0	0	0
0	Native American	0	0	0	0	0
1	Contract Carrier	541	4,197	0	0	4,739
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
54	Denaturing Alcohol	3,031,726	0	0	0	3,031,726
126	Commercial	110,533	470,167	14,026	0	594,726
0	Refund Agent	0	0	0	0	0
19	Transport Diversions	1,789,674	48,732	0	0	1,838,406
0	Casualty Losses	0	0	0	0	0
1	Special Fuel Blending	0	11,517	0	0	11,517
23	Excess Tax on Blended Fuel	358,895	953,494	0	0	1,312,389
468	<b>TOTALS</b>	\$5,722,851	\$1,649,540	\$14,088	\$0	\$7,386,479

**GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX**

Sales Tax \$219,888