



# Iowa Department of **REVENUE**

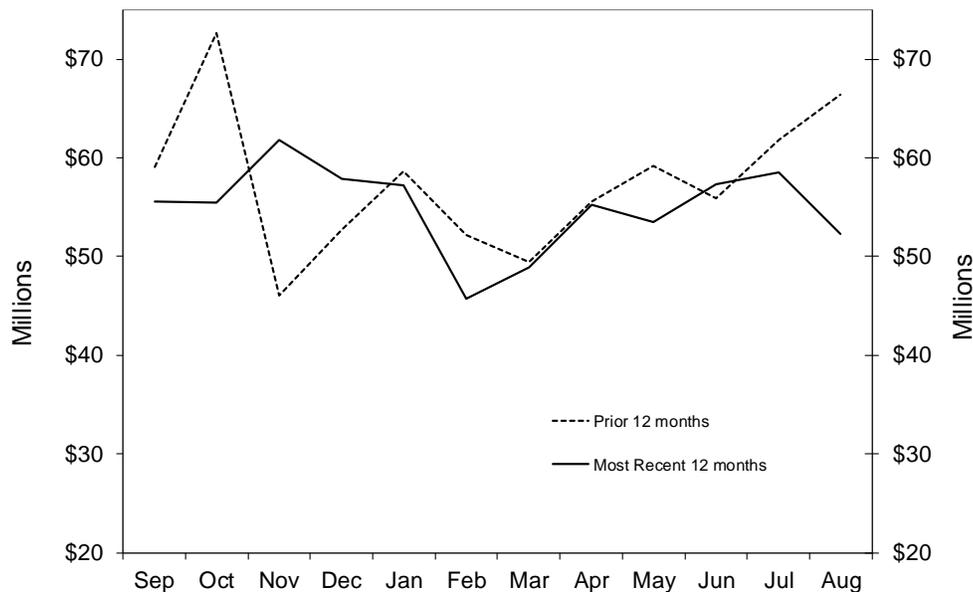
## Fuel Tax Monthly Report for August 2017

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 August 2017 collections were \$52.2 million, a 21.3 percent decrease from August of last year, reflecting large drops in collections on both gasoline and diesel sales. Monthly collections were higher than prior year numbers in only three 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 August 2017**



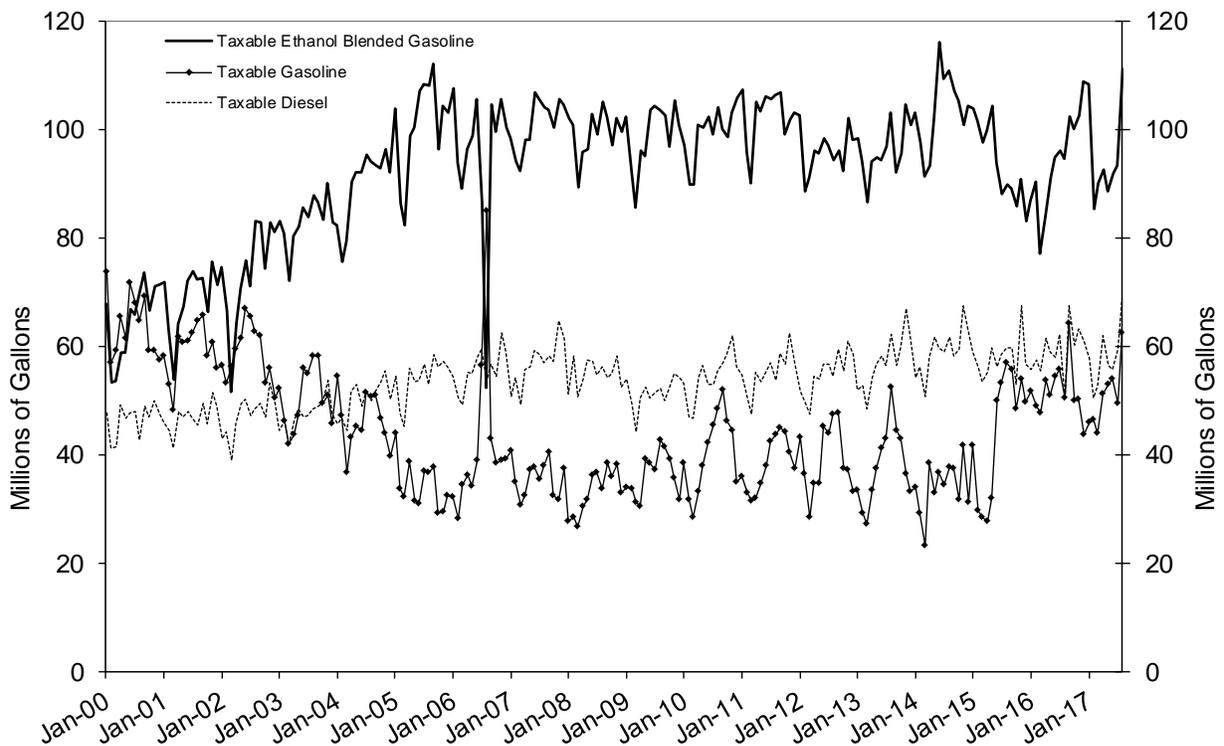
Source: Iowa Department of Revenue

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 August 2017, gallons of ethanol blended gasoline represented 64 percent of motor fuel taxable gallons. Also in August 2017, taxable gallons of ethanol blended gasoline, gasoline, and diesel increased sharply as compared to both the prior month and to August of a year ago, but the jump largely reflected late filed returns.

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

**MOTOR FUEL**

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$15,523,499	\$26,269,634	\$136,764	\$19,212
Collections	Total Remitted	\$41,949,109			
Permit Refunds	Total Refunded	<u>\$5,938,851</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>	<b>Change</b>
		\$36,010,258	\$73,869,531	\$90,394,872	-18.28%

**SPECIAL FUEL**

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$115,621	\$16,262,796	\$1,743,683
Collections	Total Remitted	\$18,122,100			
Permit Refunds	Total Refunded	<u>\$1,744,788</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>	<b>Change</b>
		\$16,377,312	\$37,071,607	\$37,891,570	-2.16%

**LPG, LNG, & CNG**

Detailed Collections		LPG	LNG	CNG	
			\$14,369	\$0	\$121,994
Collections	Total Remitted	\$136,362			
Permit Refunds	Total Refunded	<u>\$6,126</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>	<b>Change</b>
		\$130,237	\$184,718	\$168,994	9.30%

**MISC. & ACCOUNTS RECEIVABLE**

Detailed Collections		Miscellaneous	Accounts Receivable		
			\$0	\$30,653	
Collections	Total Remitted	<u>\$30,653</u>			
<b>Misc. &amp; Account Receivable</b>		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>	<b>Change</b>
		\$30,653	\$52,482	\$5,524	850.07%

**TOTAL**

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$60,238,225	\$130,871,571	\$132,684,165	-1.37%
Refunds				
Permit Refunds Including Interest	\$7,689,798			
Motor Fuel Individual/Corporate Credits	<u>\$260,051</u>			
<b>Total Refunds and Credits</b>	<b>\$7,949,849</b>	<b>\$20,089,206</b>	<b>\$4,477,686</b>	<b>348.65%</b>
<b>Collections Less Permit Refunds and Credits</b>	<b>\$52,288,376</b>	<b>\$110,782,365</b>	<b>\$128,206,479</b>	<b>-13.59%</b>

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

**MOTOR FUEL GALLONS SUMMARY**

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	70,193,904	283,317,732	848,798	318,648	354,679,082
Exported Gallons	6,768,861	170,321,312	263,213	21,015	177,374,401
Distribution Allowance	1,012,493	1,804,126	6,681	2,818	2,826,118
Total Taxable Gallons	62,412,550	111,192,294	578,904	294,815	174,478,563
Remitted	\$15,523,499	\$26,269,634	\$136,764	\$19,212	\$41,949,109

**SPECIAL FUEL GALLONS SUMMARY**

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,069,867	76,951,571	19,446,606	100,468,044
Exported Gallons	1,215,958	15,101,948	12,173,174	28,491,080
Distribution Allowance	15,433	425,931	17,939	459,303
Total Taxable Gallons	2,838,476	61,423,692	7,255,493	71,517,661
Remitted	\$115,621	\$16,262,796	\$1,743,683	\$18,122,100

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

	LPG	LNG	CNG
Total Taxable Gallons	62,434	0	393,526
Remitted	\$14,369	\$0	\$121,994

**REFUND SUMMARY****DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
22	Agricultural	2,795	41,468	0	2	44,265
7	Federal Government	86,935	22,421	99	0	109,454
14	State Government	123,812	51,467	0	0	175,279
193	Other Political	297,141	83,984	6,027	0	387,151
0	Urban Transit	0	0	0	0	0
0	Regional Transit	0	0	0	0	0
0	Native American	0	0	0	0	0
0	Contract Carrier	0	0	0	0	0
0	Commercial Fisherman	0	0	0	0	0
0	Home Heating	0	0	0	0	0
1	Extract of Nat'l Deposits	0	72,318	0	0	72,318
42	Denaturing Alcohol	2,619,560	0	0	0	2,619,560
137	Commercial	45,047	266,793	0	31	311,872
0	Refund Agent	0	0	0	0	0
6	Transport Diversions	2,169,730	8,807	0	0	2,178,537
0	Casualty Losses	0	0	0	0	0
2	Special Fuel Blending	0	5,961	0	0	5,961
26	Excess Tax on Blended Fuel	593,830	1,191,569	0	0	1,785,400
450	<b>TOTALS</b>	\$5,938,851	\$1,744,788	\$6,126	\$33	\$7,689,798

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

**Sales Tax**      \$103,153