



# Iowa Department of **REVENUE**

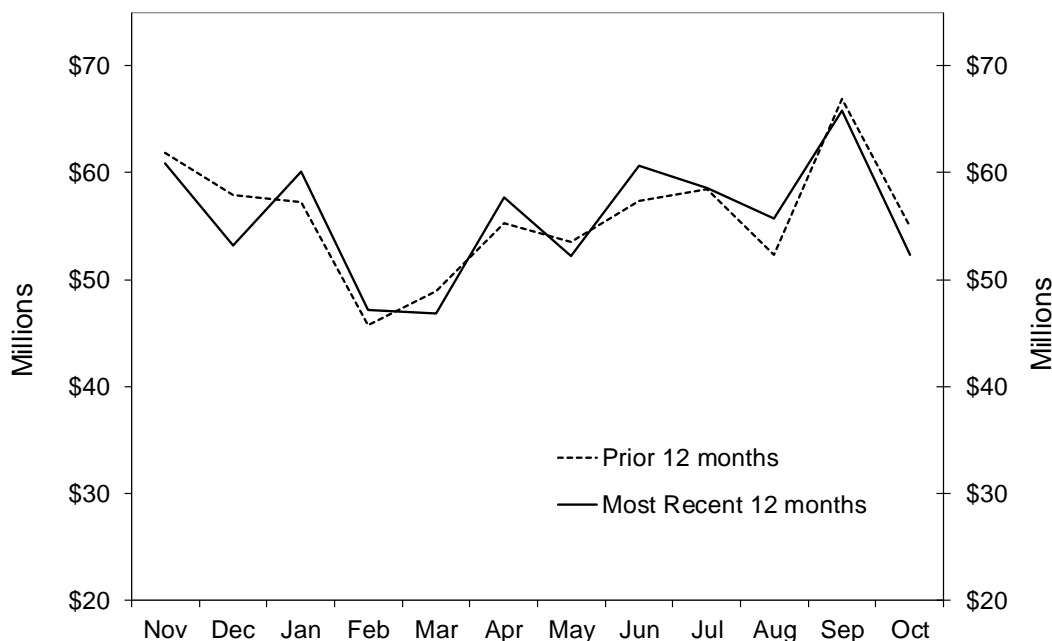
## Fuel Tax Monthly Report for October 2018

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 and collections from prior tax periods reported as accounts receivable. Fiscal Year-To-Date and Prior Fiscal Year-To-Date collections, refunds, 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 2018 collections were \$52.3 million, 4.9 percent lower than October of last year. Year-over-year, motor fuel net collections decreased by 4.9 percent and collections on diesel decreased by 1.1 percent. Monthly collections were higher than prior year numbers in six of the last twelve months. Because the number of taxable gallons may be reported in a month other than that for which taxes are remitted, net collections do not necessarily reflect the number of taxable gallons sold in the month. In October 2018, taxable gallons of motor fuel were 5.4 percent lower than in the previous October and taxable gallons of diesel were higher by 3.4 percent.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits: Most Recent 12 Months Compared to Prior 12 Months for October 2018**



Source: Iowa Department of Revenue

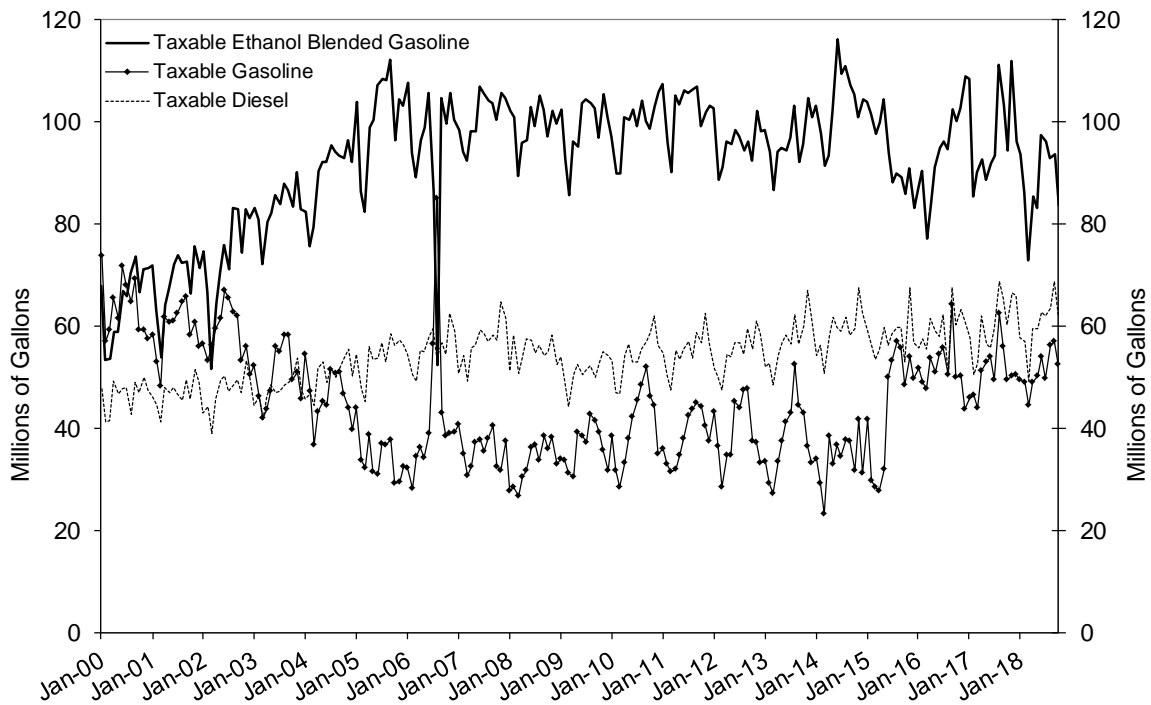
This document was updated on December 26, 2018, to reflect a correction to Figure 1.

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. For the period since June 2015, the monthly average percentage of taxable gallons reported as ethanol blended gasoline is 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 2018, gallons of ethanol blended gasoline represented 61.5 percent of motor fuel taxable gallons.

**Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – October 2018**



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 30.7 cents per gallon and collects tax on the resulting ethanol blended gasoline at 29.0 cents per gallon. Therefore, the additional 1.7 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 30.7 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 October 2018**

**MOTOR FUEL**

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$15,140,656	\$22,807,939	\$204,392	\$9,388
Collections	Total Remitted	\$38,162,376			
Permit Refunds	Total Refunded	<u>\$3,329,281</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>	<b>Change</b>
		\$34,833,095	\$156,807,388	\$156,224,219	0.37%

**SPECIAL FUEL**

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$141,270	\$16,154,534	\$2,606,382
Collections	Total Remitted	\$18,902,186			
Permit Refunds	Total Refunded	<u>\$1,370,207</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>	<b>Change</b>
		\$17,531,980	\$76,042,568	\$76,251,099	-0.27%

**LPG, LNG, & CNG**

Detailed Collections		LPG	LNG	CNG	
			\$4,805	\$0	\$77,067
Collections	Total Remitted	\$81,872			
Permit Refunds	Total Refunded	<u>\$649</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>	<b>Change</b>
		\$81,223	\$341,659	\$325,486	4.97%

**MISC. & ACCOUNTS RECEIVABLE**

Detailed Collections		Miscellaneous	Accounts Receivable		
			\$0	\$116,173	
Collections	Total Remitted	<u>\$116,173</u>			
<b>Misc. &amp; Account Receivable</b>		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>	<b>Change</b>
		\$116,173	\$119,642	\$858,205	-86.06%

**TOTAL**

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$57,262,607	\$253,182,205	\$265,096,561	-4.49%
Refunds				
Permit Refunds Including Interest	\$4,700,265			
Motor Fuel Individual/Corporate Credits	<u>\$258,963</u>			
<b>Total Refunds and Credits</b>	<b>\$4,959,228</b>	<b>\$20,668,848</b>	<b>\$32,415,755</b>	<b>-36.24%</b>
<b>Collections Less Permit Refunds and Credits</b>	<b>\$52,303,379</b>	<b>\$232,513,357</b>	<b>\$232,680,806</b>	<b>-0.07%</b>

**Iowa Department of Revenue**  
**Fuel Tax Monthly Report**  
**For Gallons Reported on Returns Filed in October 2018**

**MOTOR FUEL GALLONS SUMMARY**

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	59,856,803	251,955,692	1,009,551	130,880	312,952,926
Exported Gallons	6,529,739	166,929,320	250,677	4,424	173,714,160
Distribution Allowance	853,013	1,351,190	8,699	1,551	2,214,453
Total Taxable Gallons	52,474,051	83,675,182	750,175	124,905	137,024,313
Remitted	\$15,140,656	\$22,807,939	\$204,392	\$9,388	\$38,162,376

**SPECIAL FUEL GALLONS SUMMARY**

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,259,679	64,724,802	24,499,740	93,484,221
Exported Gallons	1,232,059	11,456,005	15,064,025	27,752,089
Distribution Allowance	20,386	365,438	31,992	417,816
Total Taxable Gallons	3,007,234	52,903,359	9,403,723	65,314,316
Remitted	\$141,270	\$16,154,534	\$2,606,382	\$18,902,186

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

	LPG	LNG	CNG
Total Taxable Gallons	69,093	0	248,606
Remitted	\$4,805	\$0	\$77,067

**REFUND SUMMARY**

		DOLLARS				
Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
16	Agricultural	1,529	51,294	0	0	52,824
2	Federal Government	3,101	459	51	0	3,611
10	State Government	26,138	965	0	0	27,102
205	Other Political	329,036	79,663	598	0	409,297
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	27	0	0	27
46	Denaturing Alcohol	2,452,313	0	0	128	2,452,441
116	Commercial	68,495	428,970	0	0	497,465
0	Refund Agent	0	0	0	0	0
13	Transport Diversions	12,613	113,282	0	0	125,895
0	Casualty Losses	0	0	0	0	0
1	Special Fuel Blending	0	5,570	0	0	5,570
30	Excess Tax on Blended Fuel	436,056	689,977	0	0	1,126,033
440	<b>TOTALS</b>	\$3,329,281	\$1,370,207	\$649	\$128	\$4,700,265

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

Sales Tax      \$249,869