



Iowa Department of **REVENUE**

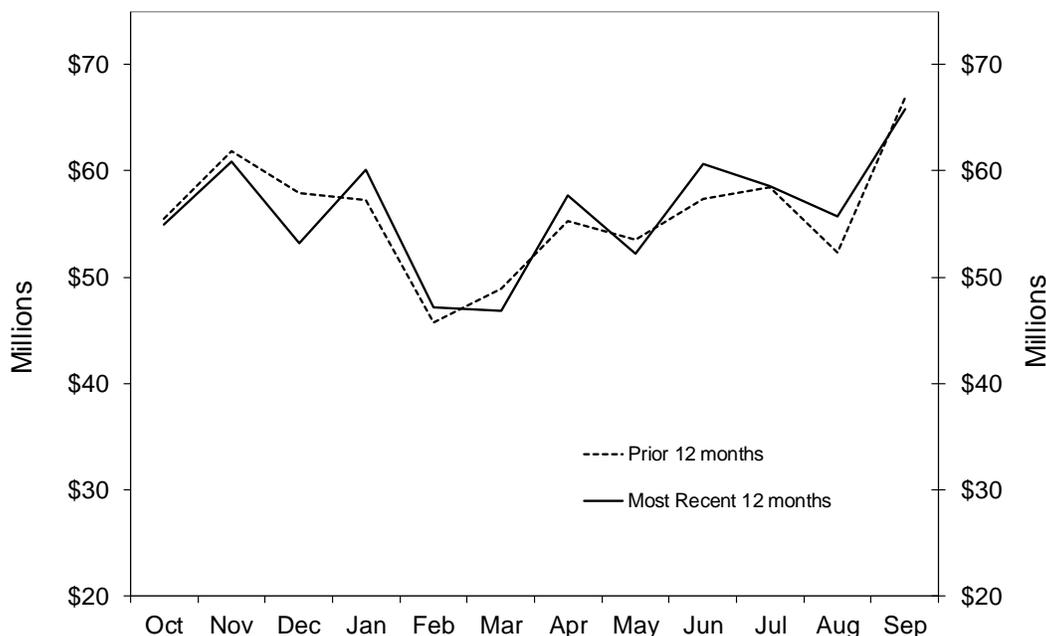
Fuel Tax Monthly Report for September 2018

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 September 2018 collections were \$65.9 million, 1.6 percent lower than September of last year. Year-over-year, motor fuel net collections decreased by 4.0 percent and collections on diesel increased by 2.0 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 September 2018, taxable gallons of motor fuel were 5.6 percent lower than in the previous September and taxable gallons of diesel were higher by 4.9 percent.

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



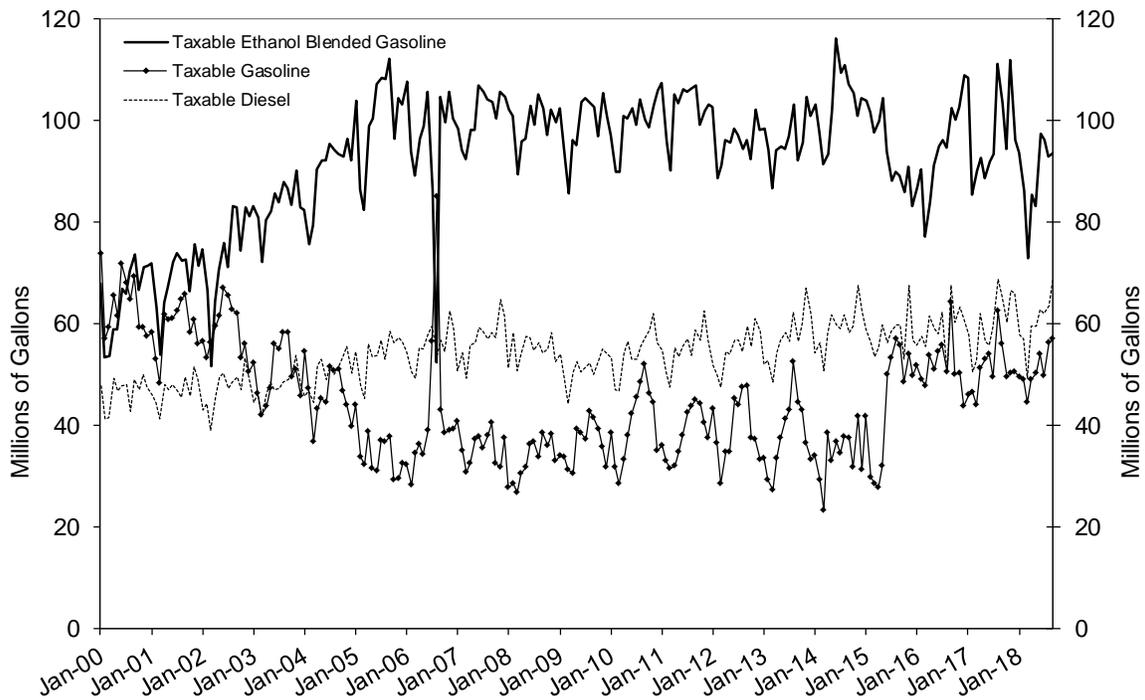
Source: Iowa Department of Revenue

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. 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 September 2018, gallons of ethanol blended gasoline represented 62.2 percent of motor fuel taxable gallons.

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

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$18,447,492	\$28,674,373	\$270,265	\$23,749
Collections	Total Remitted	\$47,415,880			
Permit Refunds	Total Refunded	<u>\$3,508,476</u>			
Collections Less Permit Refunds		Current Month \$43,907,404	Fiscal YTD \$121,974,293	Prior FYTD \$119,586,220	Change 2.00%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$205,841	\$19,716,119	\$3,536,887
Collections	Total Remitted	\$23,458,848			
Permit Refunds	Total Refunded	<u>\$1,372,024</u>			
Collections Less Permit Refunds		Current Month \$22,086,824	Fiscal YTD \$58,510,588	Prior FYTD \$58,517,203	Change -0.01%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$19,674	\$0	\$71,464
Collections	Total Remitted	\$91,138			
Permit Refunds	Total Refunded	<u>\$15,858</u>			
Collections Less Permit Refunds		Current Month \$75,279	Fiscal YTD \$260,436	Prior FYTD \$243,166	Change 7.10%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable	
			\$0	\$1,749
Collections	Total Remitted	<u>\$1,749</u>		
Misc. & Account Receivable		Current Month \$1,749	Fiscal YTD \$3,469	Prior FYTD \$92,482 -96.25%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$70,967,614	\$195,919,598	\$202,490,144	-3.24%
Refunds				
Permit Refunds Including Interest	\$4,896,367			
Motor Fuel Individual/Corporate Credits	<u>\$220,894</u>			
Total Refunds and Credits	\$5,117,261	\$15,709,620	\$24,788,563	-36.63%
Collections Less Permit Refunds and Credits	\$65,850,353	\$180,209,978	\$177,701,581	1.41%

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

MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	64,443,222	276,665,111	1,219,876	300,396	342,628,605
Exported Gallons	6,628,528	181,538,907	327,312	15,648	188,510,395
Distribution Allowance	924,107	1,512,901	10,211	3,662	2,450,881
Total Taxable Gallons	56,890,587	93,613,303	882,353	281,086	151,667,329
Remitted	\$18,447,492	\$28,674,373	\$270,265	\$23,749	\$47,415,880

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	5,142,998	70,063,821	28,223,668	103,430,487
Exported Gallons	1,219,768	12,231,656	16,839,537	30,290,961
Distribution Allowance	25,523	396,777	32,916	455,216
Total Taxable Gallons	3,897,707	57,435,388	11,351,215	72,684,310
Remitted	\$205,841	\$19,716,119	\$3,536,887	\$23,458,848

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	46,593	0	236,766
Remitted	\$19,674	\$0	\$71,464

REFUND SUMMARY

		DOLLARS				
Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
17	Agricultural	2,339	8,192	0	0	10,531
11	Federal Government	14,954	29,793	25	0	44,772
11	State Government	41,381	604	0	0	41,985
120	Other Political	254,560	60,492	952	0	316,004
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	630	4,288	0	0	4,918
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
45	Denaturing Alcohol	2,476,176	0	0	0	2,476,176
134	Commercial	144,206	460,550	14,881	9	619,646
0	Refund Agent	0	0	0	0	0
11	Transport Diversions	12,404	113,472	0	0	125,876
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
34	Excess Tax on Blended Fuel	561,826	694,633	0	0	1,256,459
384	TOTALS	\$3,508,476	\$1,372,024	\$15,858	\$9	\$4,896,367

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$188,807