



Iowa Department of **REVENUE**

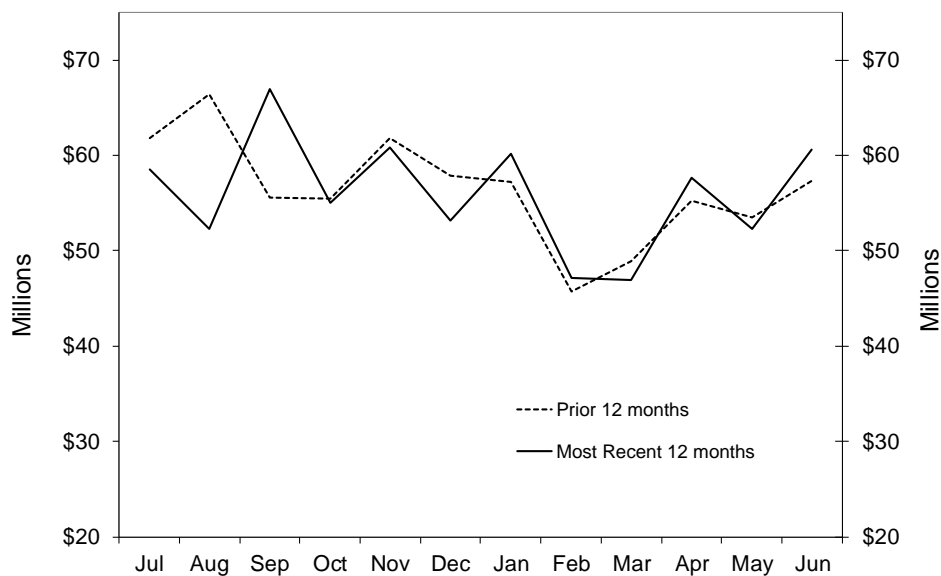
Fuel Tax Monthly Report for June 2018

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 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 June 2018 collections were \$60.6 million, 5.8 percent higher than June of last year. The overall growth reflects year-over-year increases in both motor fuel and diesel collections. Monthly collections were higher than prior year numbers in five 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 June 2018, taxable gallons of motor fuel were 3.8 percent higher than in the previous June and taxable gallons of diesel were higher by 12.3 percent.

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



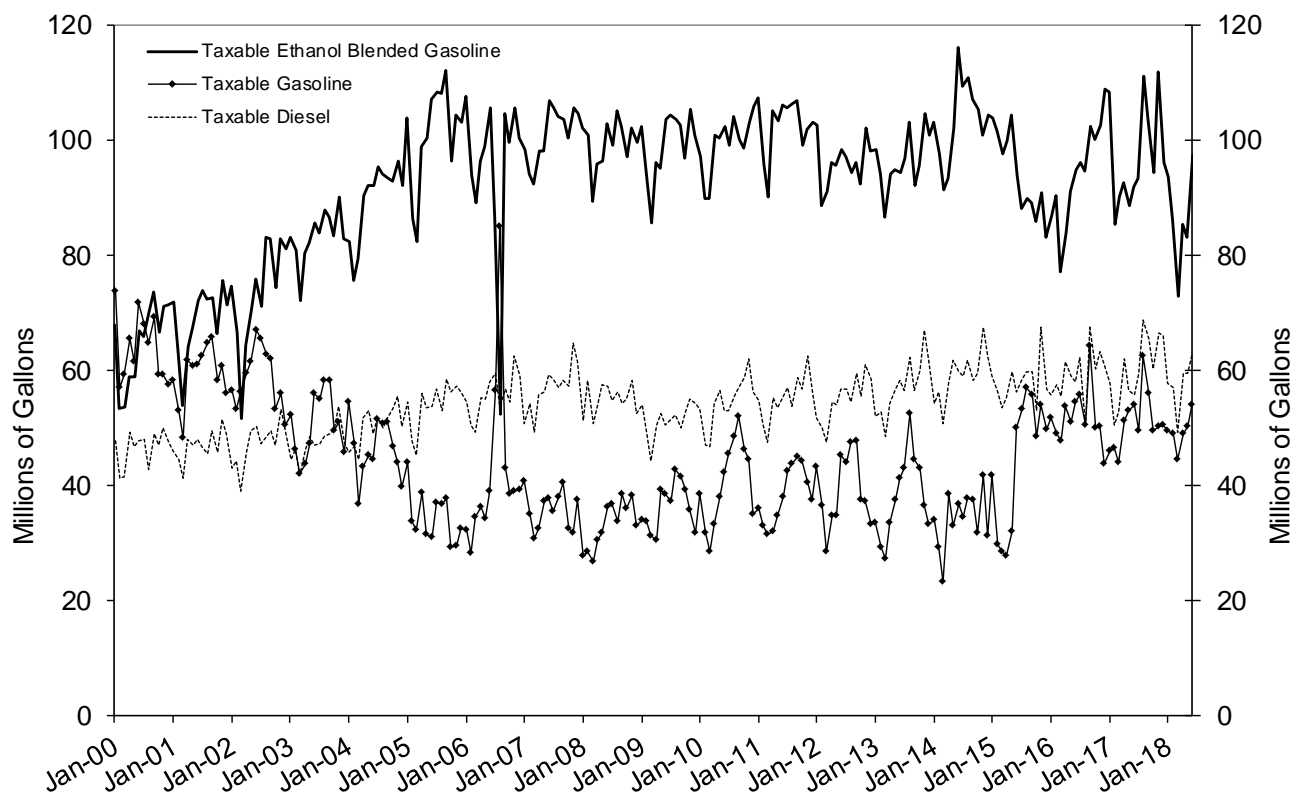
Source: Iowa Department of Revenue

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 June 2018, gallons of ethanol blended gasoline represented 64.4 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – June 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 30.5 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.

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

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$16,427,785	\$28,273,514	\$244,358	\$18,704
Collections	Total Remitted	\$44,964,361			
Permit Refunds	Total Refunded	<u>\$3,606,051</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$41,358,309	\$451,734,188	\$464,256,252	-2.70%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$176,036	\$18,510,696	\$1,755,151
Collections	Total Remitted	\$20,441,883			
Permit Refunds	Total Refunded	<u>\$968,726</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$19,473,157	\$220,874,147	\$215,464,719	2.51%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$19,200	\$0	\$101,765
Collections	Total Remitted	\$120,964			
Permit Refunds	Total Refunded	<u>\$15,915</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$105,049	\$1,264,725	\$976,782	29.48%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable		
			\$0	\$0	
Collections	Total Remitted	<u>\$0</u>			
Misc. & Account Receivable		Current Month	Fiscal YTD	Prior FYTD	Change
		\$0	\$1,729,001	\$281,975	513.18%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$65,527,209	\$752,851,434	\$755,806,858	-0.39%
Refunds				
Permit Refunds Including Interest	\$4,590,693			
Motor Fuel Individual/Corporate Credits	<u>\$293,732</u>			
Total Refunds and Credits	\$4,884,425	\$81,500,932	\$78,884,118	3.32%
Collections Less Permit Refunds and Credits	\$60,642,784	\$671,350,502	\$676,922,740	-0.82%

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For Gallons Reported on Returns Filed in June 2018

MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	59,914,656	272,380,076	1,413,927	257,919	333,966,578
Exported Gallons	5,159,741	173,278,126	561,854	21,520	179,021,241
Distribution Allowance	874,753	1,573,458	9,146	2,498	2,459,855
Total Taxable Gallons	53,880,162	97,528,492	842,927	233,901	152,485,482
Remitted	\$16,427,785	\$28,273,514	\$244,358	\$18,704	\$44,964,361

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,540,389	69,832,814	17,866,589	92,239,792
Exported Gallons	995,924	12,692,194	11,903,981	25,592,099
Distribution Allowance	22,522	393,429	10,843	426,794
Total Taxable Gallons	3,521,943	56,747,191	5,951,765	66,220,899
Remitted	\$176,036	\$18,510,696	\$1,755,151	\$20,441,883

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	76,843	0	328,279
Remitted	\$19,200	\$0	\$101,765

REFUND SUMMARY

		DOLLARS				
Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
24	Agricultural	2,697	19,682	0	0	22,379
2	Federal Government	94,722	12,679	45	0	107,446
10	State Government	29,015	192	0	0	29,207
77	Other Political	101,500	17,245	1,324	0	120,070
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
0	Extract of Nat'l Deposits	0	0	0	0	0
38	Denaturing Alcohol	2,431,046	0	0	0	2,431,046
91	Commercial	61,919	277,046	14,546	0	353,511
0	Refund Agent	0	0	0	0	0
9	Transport Diversions	533,847	123,508	0	0	657,354
0	Casualty Losses	0	0	0	0	0
1	Special Fuel Blending	0	3,491	0	0	3,491
18	Excess Tax on Blended Fuel	351,306	514,883	0	0	866,189
270	TOTALS	\$3,606,051	\$968,726	\$15,915	\$0	\$4,590,693

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$78,305