



# Iowa Department of **REVENUE**

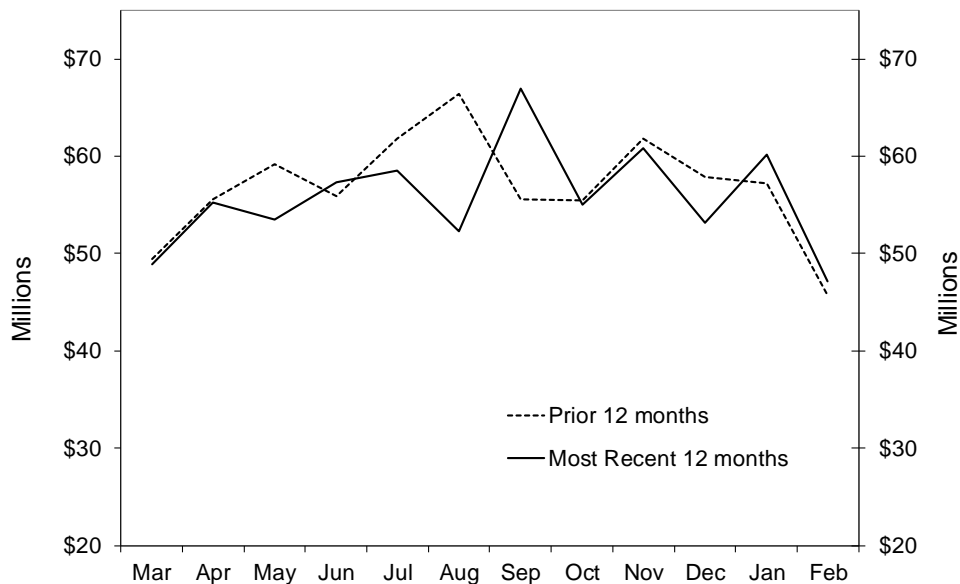
## Fuel Tax Monthly Report for February 2018

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 February 2018 collections were \$47.1 million, three percent higher than February of last year. The growth reflects a year-over-year increase in collections on motor fuels, with diesel fuel collections virtually unchanged compared to a year ago. Monthly collections were higher than prior year numbers in four of the last twelve months. Note that 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 February 2018, taxable gallons of motor fuel increased by 2.4 percent and taxable gallons of diesel increased by 13.4 percent compared to February of last year.

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



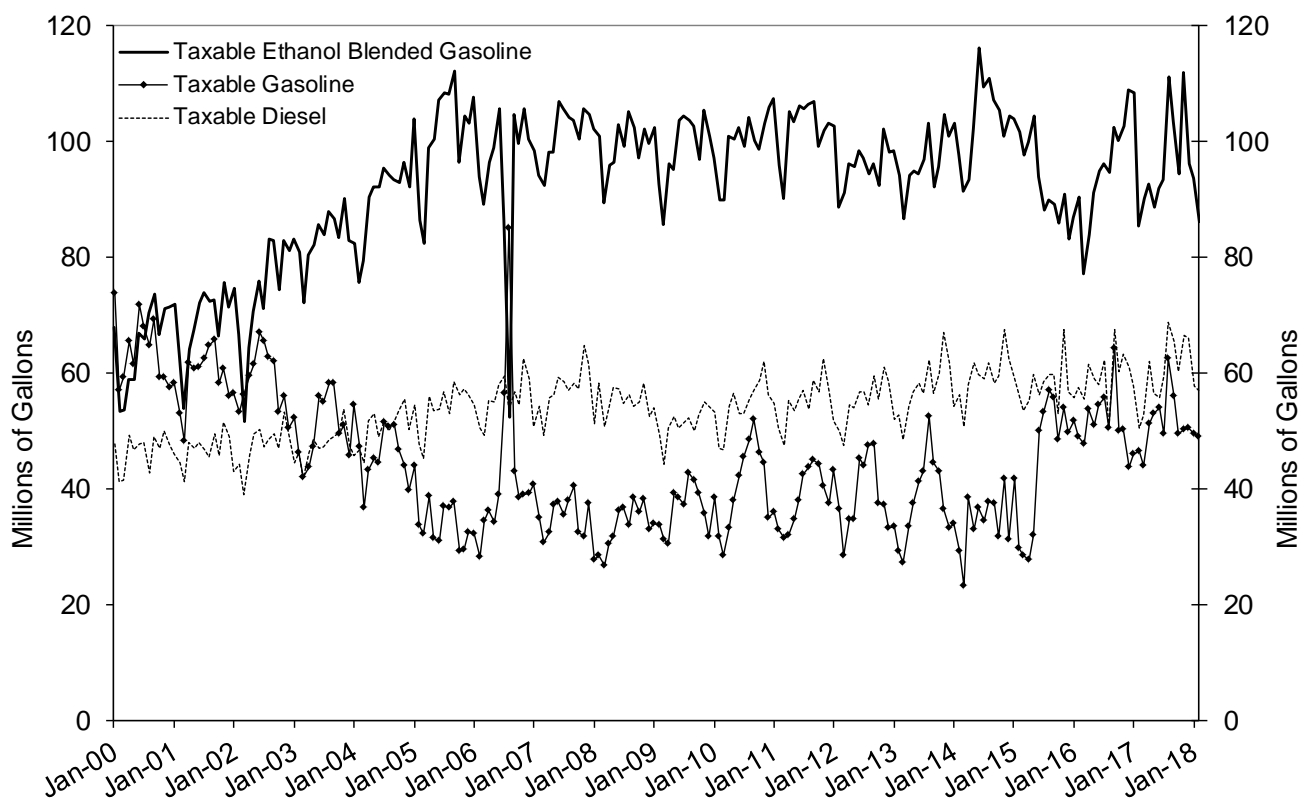
Source: Iowa Department of Revenue

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 65 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 February 2018, gallons of ethanol blended gasoline represented 63.7 percent of motor fuel taxable gallons.

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

**MOTOR FUEL**

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$13,826,160	\$22,978,556	\$166,194	\$6,175
Collections	Total Remitted	\$36,977,085			
Permit Refunds	Total Refunded	<u>\$5,597,411</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$31,379,675	<b>Fiscal YTD</b> \$304,220,626	<b>Prior FYTD</b> \$316,171,205	<b>Change</b> -3.78%

**SPECIAL FUEL**

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$149,329	\$16,610,843	\$483,998
Collections	Total Remitted	\$17,244,169			
Permit Refunds	Total Refunded	<u>\$1,499,293</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$15,744,876	<b>Fiscal YTD</b> \$149,327,262	<b>Prior FYTD</b> \$145,807,147	<b>Change</b> 2.41%

**LPG, LNG, & CNG**

Detailed Collections		LPG	LNG	CNG	
			\$19,396	\$0	\$81,998
Collections	Total Remitted	\$101,394			
Permit Refunds	Total Refunded	<u>\$2,021</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$99,372	<b>Fiscal YTD</b> \$696,998	<b>Prior FYTD</b> \$655,491	<b>Change</b> 6.33%

**MISC. & ACCOUNTS RECEIVABLE**

Detailed Collections		Miscellaneous	Accounts Receivable	
			\$0	\$0
Collections	Total Remitted	<u>\$0</u>		
<b>Misc. &amp; Account Receivable</b>		<b>Current Month</b> \$0	<b>Fiscal YTD</b> \$977,234	<b>Prior FYTD</b> \$258,472 278.08%

**TOTAL**

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$54,322,649	\$514,025,011	\$514,257,969	-0.05%
Refunds				
Permit Refunds Including Interest	\$7,099,261			
Motor Fuel Individual/Corporate Credits	<u>\$113,249</u>			
<b>Total Refunds and Credits</b>	<b>\$7,212,510</b>	<b>\$60,132,198</b>	<b>\$52,339,064</b>	<b>14.89%</b>
<b>Collections Less Permit Refunds and Credits</b>	<b>\$47,110,138</b>	<b>\$453,892,812</b>	<b>\$461,918,905</b>	<b>-1.74%</b>

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**MOTOR FUEL GALLONS SUMMARY**

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	54,454,872	261,635,713	1,143,412	93,112	317,327,109
Exported Gallons	4,649,235	174,198,737	511,639	7,985	179,367,596
Distribution Allowance	800,496	1,386,650	7,018	970	2,195,134
Total Taxable Gallons	49,005,141	86,050,326	624,755	84,157	135,764,379
Remitted	\$13,826,160	\$22,978,556	\$166,194	\$6,175	\$36,977,085

**SPECIAL FUEL GALLONS SUMMARY**

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	3,953,383	68,851,987	9,346,505	82,151,875
Exported Gallons	684,327	13,166,059	7,556,989	21,407,375
Distribution Allowance	13,305	389,258	949	403,512
Total Taxable Gallons	3,255,751	55,296,670	1,788,567	60,340,988
Remitted	\$149,329	\$16,610,843	\$483,998	\$17,244,169

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

	LPG	LNG	CNG
Total Taxable Gallons	46,550	0	264,511
Remitted	\$19,396	\$0	\$81,998

**REFUND SUMMARY**

		DOLLARS				
Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
19	Agricultural	2,413	38,780	0	0	41,193
5	Federal Government	2,665	547	103	0	3,315
11	State Government	90,530	26,581	0	0	117,111
273	Other Political	486,470	184,249	1,919	0	672,638
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	76,834	0	0	76,834
55	Denaturing Alcohol	2,997,248	0	0	536	2,997,784
139	Commercial	84,913	553,006	0	0	637,918
0	Refund Agent	0	0	0	0	0
7	Transport Diversions	1,246,282	61,389	0	0	1,307,671
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
20	Excess Tax on Blended Fuel	686,890	557,907	0	0	1,244,797
530	<b>TOTALS</b>	\$5,597,411	\$1,499,293	\$2,021	\$536	\$7,099,261

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

Sales Tax      \$254,627