



Iowa Department of **REVENUE**

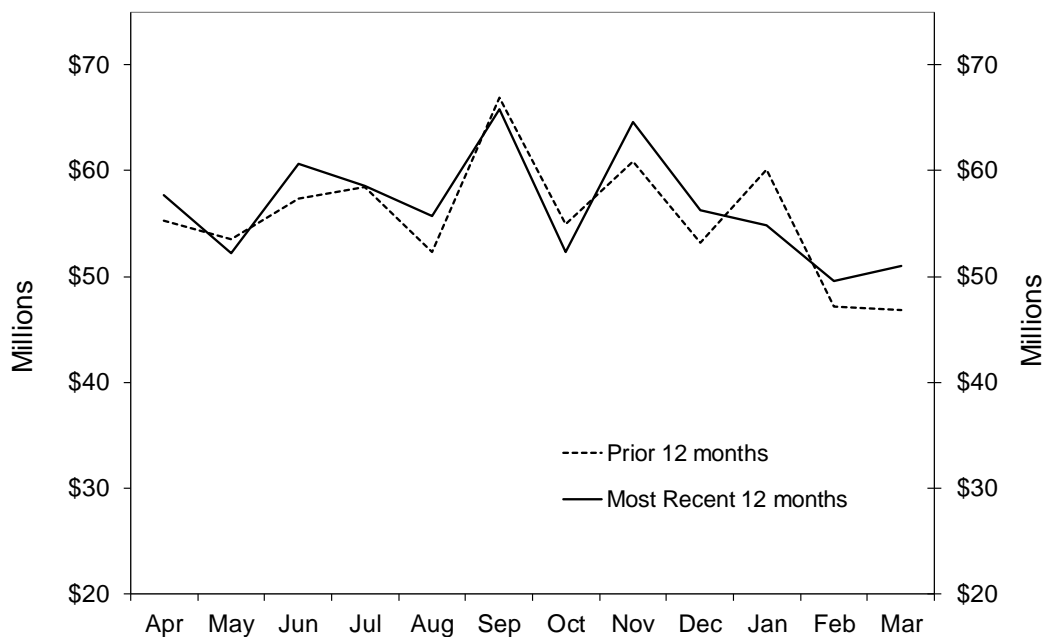
Fuel Tax Monthly Report for March 2019

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 March 2019 collections were \$51.0 million, 8.8 percent higher than March of last year. Year-over-year, motor fuel net collections increased by 5.2 percent and collections on diesel increased by 20.7 percent. Monthly collections were higher than prior year numbers in eight 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 March 2019, taxable gallons of motor fuel were 1.3 percent lower than in the previous March whereas taxable gallons of diesel were higher by 11.8 percent.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for March 2019**



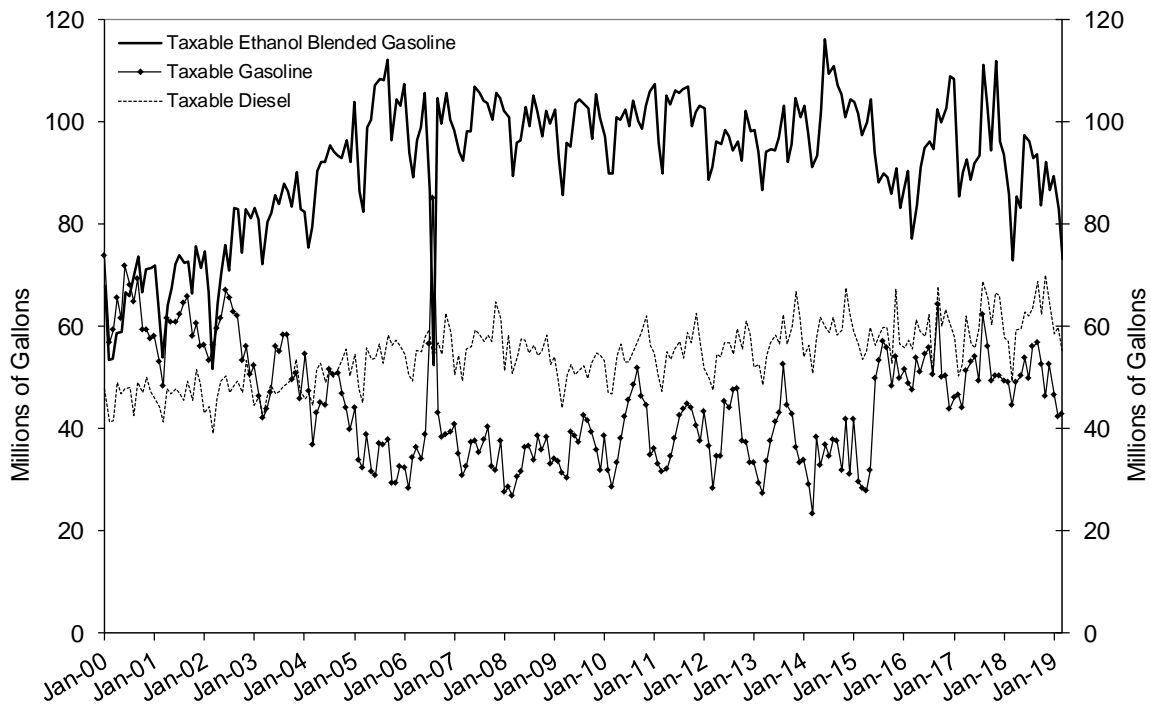
Source: Iowa Department of Revenue

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 March 2019, gallons of ethanol blended gasoline represented 63.1 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – March 2019



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 March 2019**

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$13,902,036	\$22,398,852	\$160,779	\$8,567
Collections	Total Remitted	\$36,470,234			
Permit Refunds	Total Refunded	<u>\$3,118,170</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$33,352,064	\$338,104,328	\$335,917,181	0.65%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$161,683	\$18,225,090	\$665,387
Collections	Total Remitted	\$19,052,159			
Permit Refunds	Total Refunded	<u>\$831,087</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$18,221,073	\$171,691,518	\$164,426,198	4.42%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$23,061	\$0	\$63,626
Collections	Total Remitted	\$86,687			
Permit Refunds	Total Refunded	<u>\$2,019</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$84,668	\$800,000	\$726,218	10.16%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable		
			\$0	\$60,165	
Collections	Total Remitted	<u>\$60,165</u>			
Misc. & Account Receivable		Current Month	Fiscal YTD	Prior FYTD	Change
		\$60,165	\$202,885	\$1,727,901	-88.26%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$55,669,245	\$552,321,535	\$565,178,105	-2.27%
Refunds				
Permit Refunds Including Interest	\$3,951,275			
Motor Fuel Individual/Corporate Credits	<u>\$730,831</u>			
Total Refunds and Credits	\$4,682,106	\$43,504,193	\$64,413,055	-32.46%
Collections Less Permit Refunds and Credits	\$50,987,139	\$508,817,342	\$500,765,050	1.61%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	48,078,392	226,844,284	719,623	106,420	275,748,719
Exported Gallons	4,602,955	152,530,716	186,805	3,750	157,324,226
Distribution Allowance	696,003	1,176,354	6,770	1,054	1,880,181
Total Taxable Gallons	42,779,434	73,137,214	526,048	101,616	116,544,312
Remitted	\$13,902,036	\$22,398,852	\$160,779	\$8,567	\$36,470,234

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,399,789	63,647,239	13,192,016	81,239,044
Exported Gallons	1,311,349	10,236,208	11,049,755	22,597,312
Distribution Allowance	20,293	371,407	2,153	393,853
Total Taxable Gallons	3,068,147	53,039,624	2,140,108	58,247,879
Remitted	\$161,683	\$18,225,090	\$665,387	\$19,052,159

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	43,999	0	205,244
Remitted	\$23,061	\$0	\$63,626

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
19	Agricultural	3,031	20,459	0	0	23,491
9	Federal Government	10,224	21,558	51	0	31,833
14	State Government	122,751	56,324	0	0	179,075
121	Other Political	235,498	50,017	0	0	285,514
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
36	Denaturing Alcohol	2,016,772	0	0	0	2,016,772
95	Commercial	35,594	201,910	1,968	0	239,472
0	Refund Agent	0	0	0	0	0
5	Transport Diversions	11,821	52,515	0	0	64,335
0	Casualty Losses	0	0	0	0	0
6	Special Fuel Blending	0	7,868	0	0	7,868
29	Excess Tax on Blended Fuel	682,479	420,436	0	0	1,102,915
334	TOTALS	\$3,118,170	\$831,087	\$2,019	\$0	\$3,951,275

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$107,942