



Iowa Department of **REVENUE**

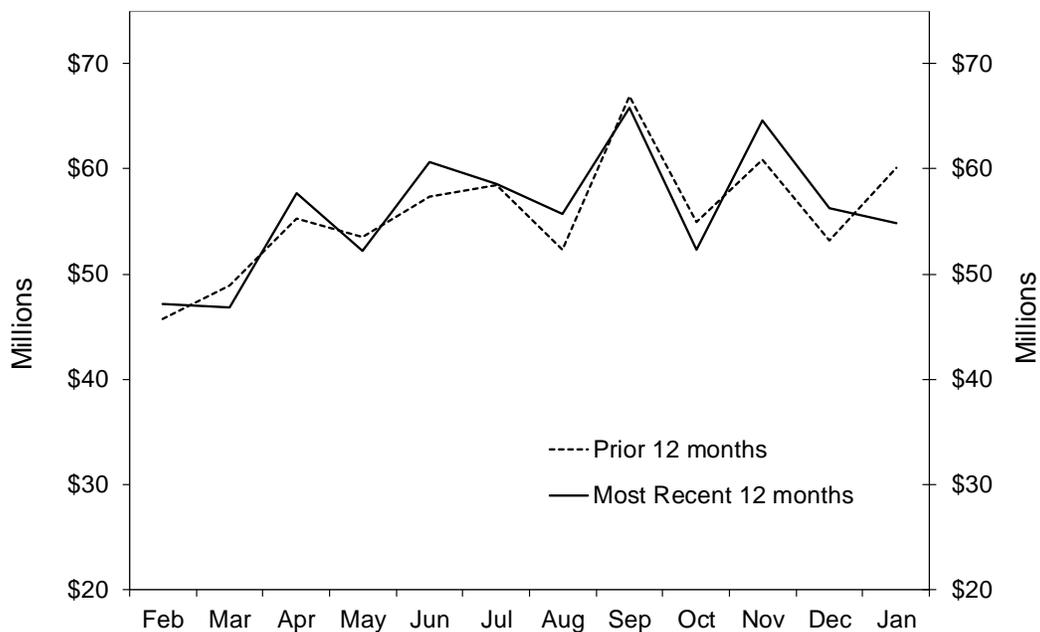
Fuel Tax Monthly Report for January 2019

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 January 2019 collections were \$54.8 million, 8.8 percent lower than January of last year. Year-over-year, motor fuel net collections decreased by 9.6 percent and collections on diesel decreased by 6.5 percent. Monthly collections were higher than prior year numbers in seven 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 January 2019, taxable gallons of motor fuel were 4.9 percent lower than in the previous January and taxable gallons of diesel were higher by 1.3 percent.

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



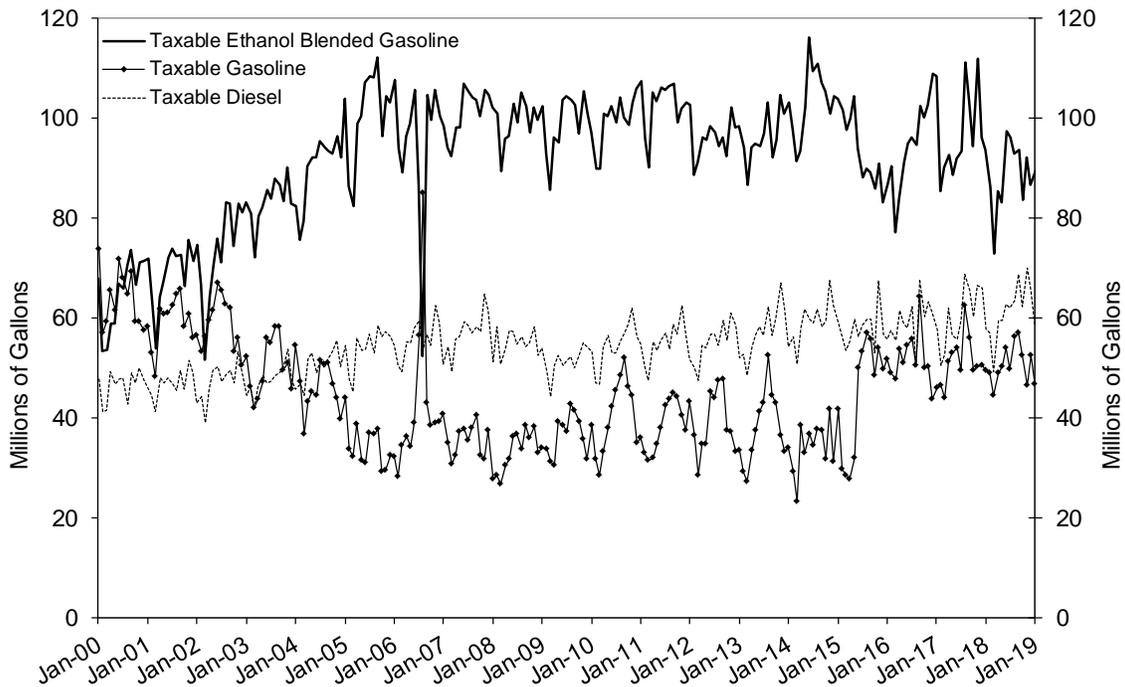
Source: Iowa Department of Revenue

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 January 2019, gallons of ethanol blended gasoline represented 65.7 percent of motor fuel taxable gallons.

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

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$14,191,536	\$25,657,728	\$166,227	\$7,532
Collections	Total Remitted	\$40,023,023			
Permit Refunds	Total Refunded	<u>\$3,154,334</u>			
Collections Less Permit Refunds		Current Month \$36,868,688	Fiscal YTD \$272,268,461	Prior FYTD \$272,840,951	Change -0.21%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$163,754	\$16,857,627	\$1,779,717
Collections	Total Remitted	\$18,801,097			
Permit Refunds	Total Refunded	<u>\$865,459</u>			
Collections Less Permit Refunds		Current Month \$17,935,638	Fiscal YTD \$136,351,505	Prior FYTD \$133,582,386	Change 2.07%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$17,039	\$0	\$81,772
Collections	Total Remitted	\$98,811			
Permit Refunds	Total Refunded	<u>\$4,601</u>			
Collections Less Permit Refunds		Current Month \$94,211	Fiscal YTD \$621,301	Prior FYTD \$597,626	Change 3.96%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable	
			\$0	\$1,594
Collections	Total Remitted	<u>\$1,594</u>		
Misc. & Account Receivable		Current Month \$1,594	Fiscal YTD \$133,907	Prior FYTD \$977,234 Change -86.30%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$58,924,525	\$442,757,836	\$459,702,362	-3.69%
Refunds				
Permit Refunds Including Interest	\$4,024,425			
Motor Fuel Individual/Corporate Credits	<u>\$60,480</u>			
Total Refunds and Credits	\$4,084,905	\$34,521,050	\$52,919,688	-34.77%
Collections Less Permit Refunds and Credits	\$54,839,621	\$408,236,787	\$406,782,674	0.36%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	52,349,083	247,644,929	815,267	100,485	300,909,764
Exported Gallons	4,950,852	156,779,080	227,984	4,040	161,961,956
Distribution Allowance	759,144	1,444,381	7,125	1,151	2,211,801
Total Taxable Gallons	46,639,087	89,421,468	580,158	95,294	136,736,007
Remitted	\$14,191,536	\$25,657,728	\$166,227	\$7,532	\$40,023,023

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,755,860	63,854,597	20,853,040	89,463,497
Exported Gallons	1,418,405	10,990,995	14,734,572	27,143,972
Distribution Allowance	22,729	366,315	12,497	401,541
Total Taxable Gallons	3,314,726	52,497,287	6,105,971	61,917,984
Remitted	\$163,754	\$16,857,627	\$1,779,717	\$18,801,097

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	49,279	0	263,781
Remitted	\$17,039	\$0	\$81,772

REFUND SUMMARY

		DOLLARS				
Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
26	Agricultural	3,627	26,147	0	0	29,774
1	Federal Government	2,145	755	0	0	2,899
9	State Government	32,810	1,276	0	0	34,086
282	Other Political	418,671	98,392	4,601	0	521,664
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	2,191,053	0	0	0	2,191,053
89	Commercial	66,172	251,477	0	24	317,673
0	Refund Agent	0	0	0	0	0
7	Transport Diversions	34,546	16,439	0	0	50,986
0	Casualty Losses	0	0	0	0	0
2	Special Fuel Blending	1,740	1,756	0	0	3,496
21	Excess Tax on Blended Fuel	403,571	469,218	0	6	872,794
475	TOTALS	\$3,154,334	\$865,459	\$4,601	\$30	\$4,024,425

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$93,428