



Iowa Department of **REVENUE**

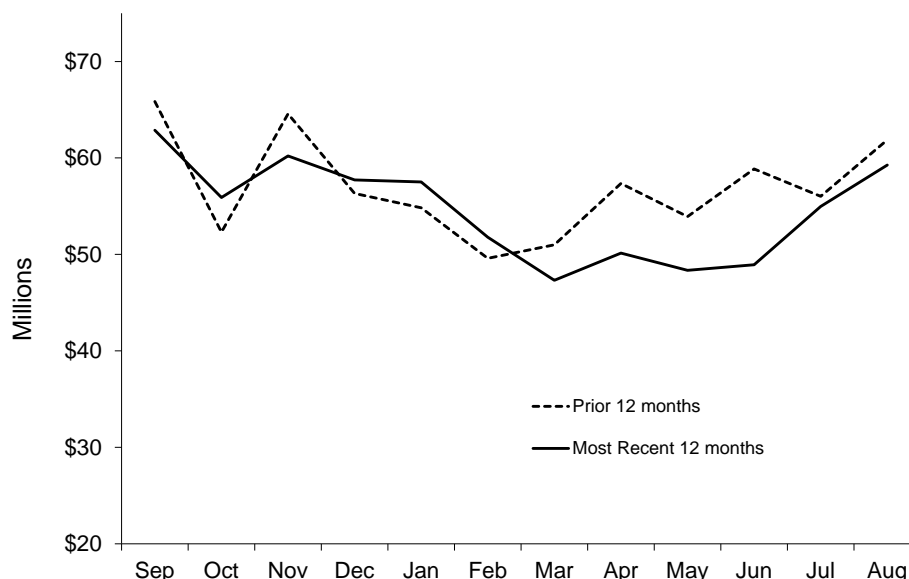
Fuel Tax Monthly Report for August 2020

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 August 2020 collections were \$59.3 million, 4.2 percent lower than August of last year. Year-over-year motor fuel net collections declined by 7.0 percent and collections on diesel increased by 1.7 percent. Monthly collections were higher than prior year numbers in four 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 August 2020, taxable gallons of motor fuel were 13.3 percent lower than in the previous August; taxable gallons of diesel were lower by 1.0 percent than in the prior August. The downturn earlier this year reflected impacts of the coronavirus pandemic, economic lockdown, and reduction in travel. That impact has relaxed in July and August, although a reliable trend has not yet been established.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for August 2020**



Source: Iowa Department of Revenue

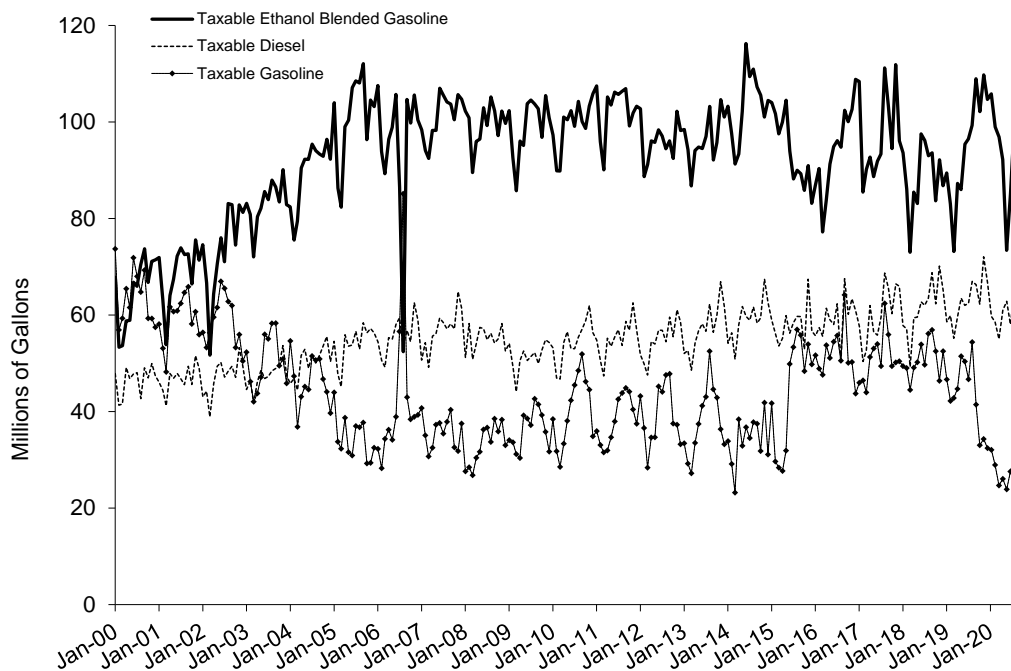
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the

case for most E15 or Higher (gasoline blended with 15 percent of ethanol or higher percentages) 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 September 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 66.6 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 August 2020, gallons of ethanol blended gasoline represented 75.4 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – August 2020



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 30.0 cents per gallon and collects tax on the resulting ethanol blended gasoline at 24.0 cents per gallon. Therefore, the additional 6.0 cents paid on the gasoline is eligible for refund; similarly for the 2.4 cent gap between taxes on diesel and B11 or higher blends. The denaturing alcohol refund applies when the denaturant (gasoline) taxed at 30.0 cents per gallon is blended with food grade alcohol to produce ethanol blended gasoline E15 or Higher. 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 August 2020

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$9,998,692	\$30,456,316	\$1,219,212	\$24,180	
Collections	Total Remitted	\$41,698,399			
Permit Refunds	Total Refunded	\$2,865,495			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$38,832,904	\$73,360,510	\$79,756,204	-8.02%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
		\$169,925	\$18,315,197	\$3,288,405	
Collections	Total Remitted	\$21,773,526			
Permit Refunds	Total Refunded	\$1,248,299			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$20,525,227	\$39,372,899	\$38,000,001	3.61%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
		\$19,964	\$0	\$76,032	
Collections	Total Remitted	\$95,995			
Permit Refunds	Total Refunded	\$0			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$95,995	\$114,759	\$149,426	-23.20%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable		
		\$0	\$5,535		
Collections	Total Remitted	\$5,535			
		Current Month	Fiscal YTD	Prior FYTD	Change
Misc. & Account Receivable		\$5,535	\$1,827,129	\$261,138	599.68%

TOTAL

Collections		Current Month	Fiscal YTD	Prior FYTD	Change
		\$63,573,456	\$122,872,446	\$126,746,735	-3.06%
Refunds					
Permit Refunds Including Interest		\$4,114,124			
Motor Fuel Individual/Corporate Credits		\$199,749			
Total Refunds and Credits		\$4,313,873	\$8,649,718	\$8,861,560	-2.39%
Collections Less Permit Refunds and Credits		\$59,259,583	\$114,222,728	\$117,885,175	-3.11%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	39,307,447	282,541,809	5,413,816	311,556	327,574,628
Exported Gallons	5,970,442	180,386,574	322,400	9,700	186,689,116
Distribution Allowance	533,024	1,630,308	79,674	3,660	2,246,666
Total Taxable Gallons	32,803,981	100,524,927	5,011,742	298,196	138,638,846
Remitted	\$9,998,692	\$30,456,316	\$1,219,212	\$24,180	\$41,698,399

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,824,919	67,004,836	25,059,819	96,889,574
Exported Gallons	1,448,935	11,119,612	14,242,489	26,811,036
Distribution Allowance	23,152	384,540	39,289	446,981
Total Taxable Gallons	3,352,832	55,500,684	10,778,041	69,631,557
Remitted	\$169,925	\$18,315,197	\$3,288,405	\$21,773,526

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	43,418	0	245,243
Remitted	\$19,964	\$0	\$76,032

REFUND SUMMARY

		DOLLARS				
Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
26	Agricultural	7,683	39,465	0	0	47,148
1	Federal Government	965	970	0	0	1,936
11	State Government	126,208	7,471	0	0	133,679
162	Other Political	272,174	80,023	0	11	352,208
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	0	773	0	0	773
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	1,984,843	0	0	0	1,984,843
109	Commercial	83,577	586,053	0	310	669,940
0	Refund Agent	0	0	0	0	0
9	Transport Diversions	360,959	41,168	0	0	402,127
4	Casualty Losses	0	0	0	0	0
4	Special Fuel Blending	0	28,008	0	0	28,008
24	Excess Tax on Blended Fuel	29,086	464,367	0	8	493,461
389	TOTALS	\$2,865,495	\$1,248,299	\$0	\$330	\$4,114,124

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$182,794