



Iowa Department of **REVENUE**

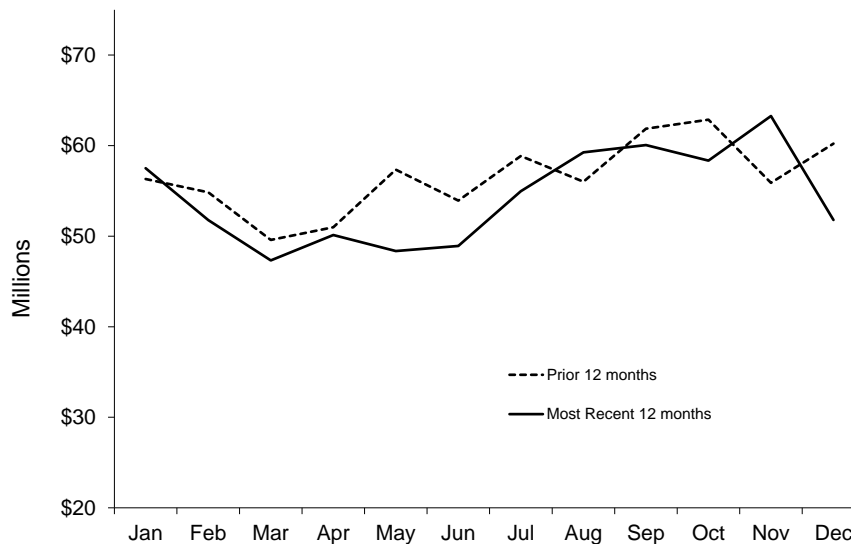
Fuel Tax Monthly Report for December 2020

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 December 2020 collections were \$51.8 million, 10.3 percent lower than December of last year. Year-over-year motor fuel net collections decreased by 14.4 percent and collections on diesel decreased by 2.6 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 December 2020, taxable gallons of motor fuel were 16.9 percent lower than in the previous December; taxable gallons of diesel were 3.7 percent lower than in the prior December. The downturn earlier this year reflected impacts of the coronavirus pandemic, economic lockdown, and reduction in travel.

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



Source: Iowa Department of Revenue

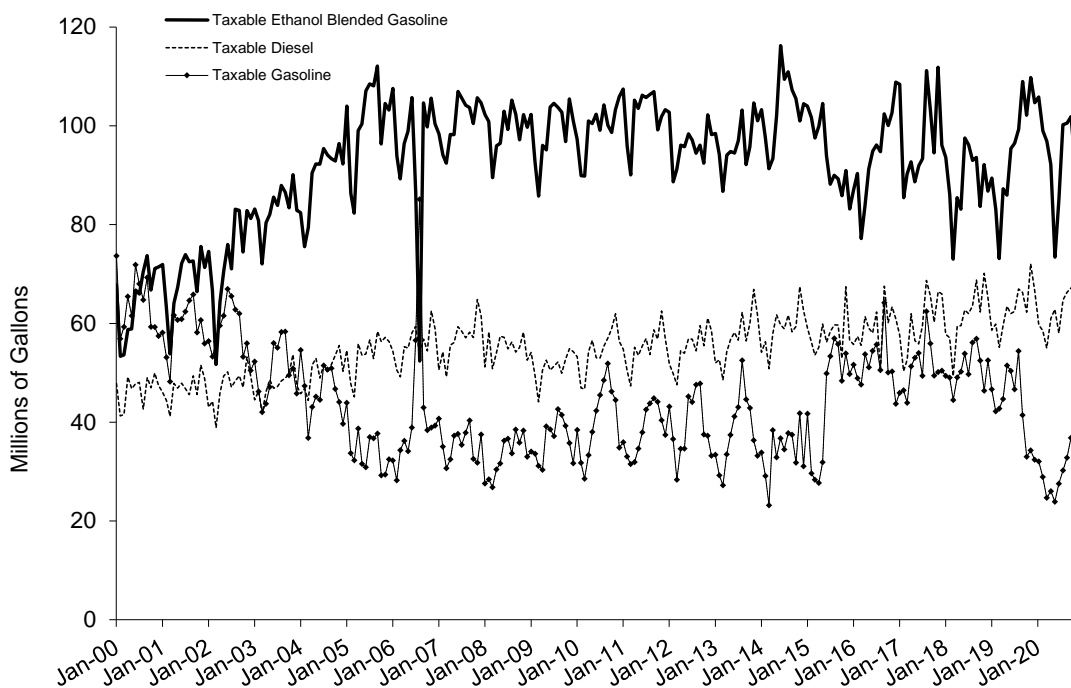
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the case for most E15 or Higher (gasoline blended with 15 percent of ethanol or higher percentages)

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 December 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 67.0 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 December 2020, gallons of ethanol blended gasoline represented 69.1 percent of motor fuel taxable gallons.

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

MOTOR FUEL

| Detailed Collections | Gasoline | E10 to E14 | E15 or Higher | Aviation Gasoline | |
|--|----------------|----------------------|-------------------|-------------------|---------------|
| | \$10,663,031 | \$23,712,296 | \$570,468 | \$7,692 | |
| Collections | Total Remitted | \$34,953,487 | | | |
| Permit Refunds | Total Refunded | <u>\$2,699,893</u> | | | |
| | | Current Month | Fiscal YTD | Prior FYTD | Change |
| Collections Less Permit Refunds | | \$32,253,594 | \$222,432,699 | \$233,882,332 | -4.90% |

SPECIAL FUEL

| Detailed Collections | Aviation Jet | Diesel | B11 or Higher | | |
|--|----------------|----------------------|-------------------|-------------------|---------------|
| | \$111,917 | \$18,911,830 | \$1,991,431 | | |
| Collections | Total Remitted | \$21,015,179 | | | |
| Permit Refunds | Total Refunded | <u>\$1,448,948</u> | | | |
| | | Current Month | Fiscal YTD | Prior FYTD | Change |
| Collections Less Permit Refunds | | \$19,566,231 | \$124,035,117 | \$118,791,244 | 4.41% |

LPG, LNG, & CNG

| Detailed Collections | LPG | LNG | CNG | | |
|--|----------------|----------------------|-------------------|-------------------|---------------|
| | \$3,781 | \$0 | \$128,360 | | |
| Collections | Total Remitted | \$132,141 | | | |
| Permit Refunds | Total Refunded | <u>\$1,366</u> | | | |
| | | Current Month | Fiscal YTD | Prior FYTD | Change |
| Collections Less Permit Refunds | | \$130,775 | \$412,942 | \$453,618 | -8.97% |

MISC. & ACCOUNTS RECEIVABLE

| Detailed Collections | Miscellaneous | Accounts Receivable | | | |
|---------------------------------------|----------------|----------------------|-------------------|-------------------|---------------|
| | \$0 | \$100 | | | |
| Collections | Total Remitted | <u>\$100</u> | | | |
| | | Current Month | Fiscal YTD | Prior FYTD | Change |
| Misc. & Account Receivable | | \$100 | \$1,859,278 | \$2,386,538 | -22.09% |

TOTAL

| | | | | |
|--|----------------------|-------------------|-------------------|---------------|
| Collections | Current Month | Fiscal YTD | Prior FYTD | Change |
| | \$56,100,907 | \$372,732,621 | \$383,473,352 | -2.80% |
| Refunds | | | | |
| Permit Refunds Including Interest | \$4,150,270 | | | |
| Motor Fuel Individual/Corporate Credits | <u>\$150,920</u> | | | |
| Total Refunds and Credits | \$4,301,190 | \$25,037,501 | \$28,887,341 | -13.33% |
| Collections Less Permit Refunds and Credits | \$51,799,717 | \$347,695,120 | \$354,586,011 | -1.94% |

**Iowa Department of Revenue
Fuel Tax Monthly Report
For Gallons Reported on Returns Filed in December 2020**

MOTOR FUEL GALLONS SUMMARY

| | Gasoline | E10 to E14 | E15 or Higher | Aviation Gas | Motor Fuel Total |
|------------------------|--------------|--------------|---------------|--------------|------------------|
| Gross Gallons Received | 40,862,155 | 239,203,841 | 2,622,523 | 101,219 | 282,789,738 |
| Exported Gallons | 5,037,728 | 159,279,659 | 228,152 | 4,900 | 164,550,439 |
| Distribution Allowance | 571,679 | 1,274,296 | 36,884 | 949 | 1,883,808 |
| Total Taxable Gallons | 35,252,748 | 78,649,886 | 2,357,527 | 95,370 | 116,355,531 |
| Remitted | \$10,663,031 | \$23,712,296 | \$570,468 | \$7,692 | \$34,953,487 |

SPECIAL FUEL GALLONS SUMMARY

| | Aviation Jet | Diesel | B11 or Higher | Special Fuel Total |
|------------------------|--------------|--------------|---------------|--------------------|
| Gross Gallons Received | 3,450,614 | 74,128,073 | 15,249,578 | 92,828,265 |
| Exported Gallons | 1,216,067 | 16,012,155 | 8,666,335 | 25,894,557 |
| Distribution Allowance | 14,423 | 401,597 | 21,257 | 437,277 |
| Total Taxable Gallons | 2,220,124 | 57,714,321 | 6,561,986 | 66,496,431 |
| Remitted | \$111,917 | \$18,911,830 | \$1,991,431 | \$21,015,179 |

LPG, LNG, & CNG GALLONS SUMMARY

| | LPG | LNG | CNG |
|-----------------------|---------|-----|-----------|
| Total Taxable Gallons | 60,391 | 0 | 414,065 |
| Remitted | \$3,781 | \$0 | \$128,360 |

REFUND SUMMARY**DOLLARS**

| Number of Claims | Permit Type | Motor Fuel | Special Fuel | LPG & CNG | Interest Paid | Total |
|------------------|----------------------------|-------------|--------------|-----------|---------------|-------------|
| 22 | Agricultural | 4,792 | 15,168 | 0 | 0 | 19,960 |
| 1 | Federal Government | 624 | 262 | 0 | 0 | 885 |
| 11 | State Government | 107,761 | 47,968 | 0 | 40 | 155,769 |
| 95 | Other Political | 142,548 | 54,121 | 1,366 | 23 | 198,058 |
| 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 | 808 | 994 | 0 | 0 | 1,802 |
| 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 | 2,185,207 | 0 | 0 | 0 | 2,185,207 |
| 86 | Commercial | 67,711 | 563,031 | 0 | 0 | 630,742 |
| 0 | Refund Agent | 0 | 0 | 0 | 0 | 0 |
| 10 | Transport Diversions | 109,455 | 220,640 | 0 | 0 | 330,095 |
| 0 | Casualty Losses | 0 | 0 | 0 | 0 | 0 |
| 1 | Special Fuel Blending | 0 | 1,084 | 0 | 0 | 1,084 |
| 18 | Excess Tax on Blended Fuel | 80,986 | 545,680 | 0 | 0 | 626,667 |
| 283 | TOTALS | \$2,699,893 | \$1,448,948 | \$1,366 | \$63 | \$4,150,270 |

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$209,285