

Iowa Department of **REVENUE**

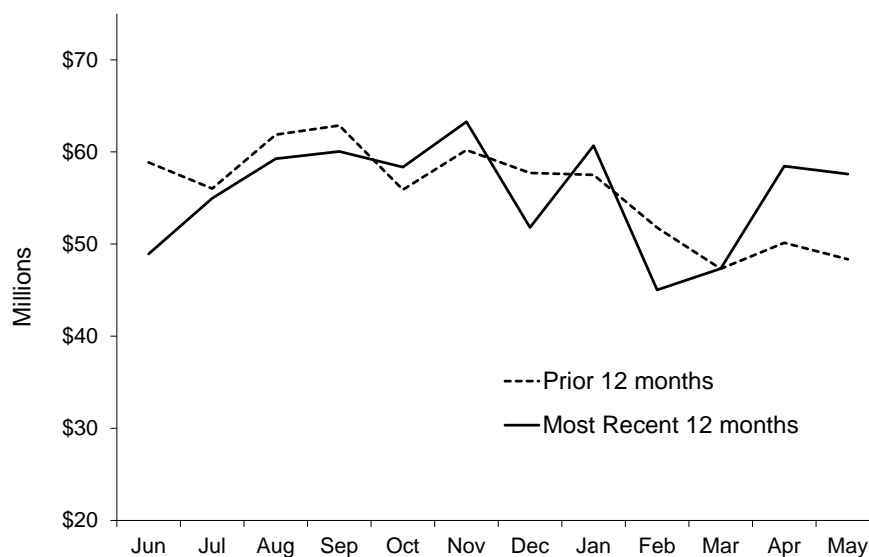
Fuel Tax Monthly Report for May 2021

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 May 2021 collections were \$57.6 million, 19.1 percent higher than May of last year. Year-over-year motor fuel net collections increased by 30.6 percent and collections on diesel increased by 3.2 percent. Monthly collections were higher than prior year numbers in six 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 May 2021, taxable gallons of motor fuel were 35.8 percent higher lower than in the previous May; taxable gallons of diesel were 9.8 percent higher than in the prior May. The sharp year-over-year increases largely reflect suppressed consumption of a year ago during the economic lockdown associated with the coronavirus pandemic.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for May 2021**



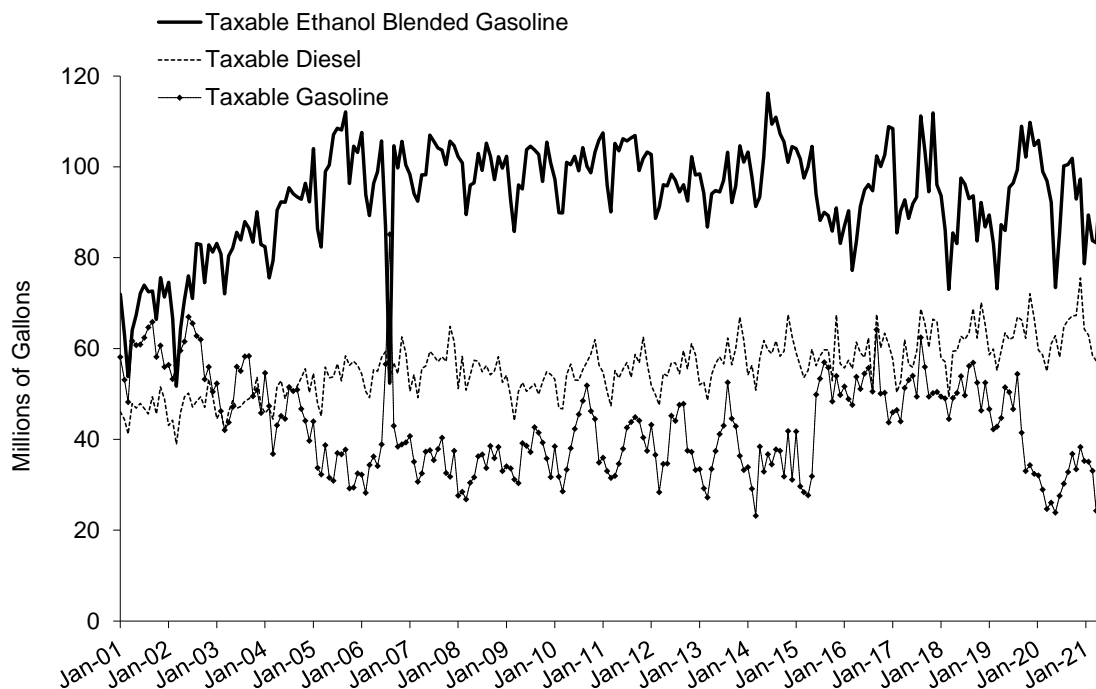
Source: Iowa Department of Revenue

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 2001, taxable sales of ethanol blended gasoline and gasoline were roughly equal. As Figure 2 shows, demand shifted over the next five 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 67.5 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 May 2021, gallons of ethanol blended gasoline represented 76.8 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2001 – May 2021



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 May 2021

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$9,063,386	\$29,421,531	\$821,200	\$12,132	
Collections	Total Remitted	\$39,318,249			
Permit Refunds	Total Refunded	\$2,119,566			
Collections Less Permit Refunds		Current Month \$37,198,683	Fiscal YTD \$396,029,945	Prior FYTD \$399,010,949	Change -0.75%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
		\$116,121	\$19,296,005	\$2,350,699	
Collections	Total Remitted	\$21,762,825			
Permit Refunds	Total Refunded	\$959,755			
Collections Less Permit Refunds		Current Month \$20,803,070	Fiscal YTD \$221,201,375	Prior FYTD \$210,812,248	Change 4.93%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
		\$16,978	\$0	\$56,870	
Collections	Total Remitted	\$73,848			
Permit Refunds	Total Refunded	\$1,727			
Collections Less Permit Refunds		Current Month \$72,121	Fiscal YTD \$748,448	Prior FYTD \$819,083	Change -8.62%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable		
		\$0	\$134		
Collections	Total Remitted	\$134			
Misc. & Account Receivable		Current Month \$134	Fiscal YTD \$2,201,911	Prior FYTD \$2,496,883	Change -11.81%

TOTAL

Collections		Current Month	Fiscal YTD	Prior FYTD	Change
		\$61,155,056	\$661,411,963	\$661,015,782	0.06%
Refunds					
Permit Refunds Including Interest		\$3,081,054			
Motor Fuel Individual/Corporate Credits		\$482,459			
Total Refunds and Credits		\$3,563,513	\$44,651,183	\$51,325,600	-13.00%
Collections Less Permit Refunds and Credits		\$57,591,543	\$616,760,780	\$609,690,182	1.16%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	36,159,362	271,951,774	3,944,626	170,029	312,225,791
Exported Gallons	4,648,561	169,244,613	378,398	13,000	174,284,572
Distribution Allowance	503,005	1,635,041	54,323	1,358	2,193,727
Total Taxable Gallons	31,007,796	101,072,120	3,511,905	155,671	135,747,492
Remitted	\$9,063,386	\$29,421,531	\$821,200	\$12,132	\$39,318,249

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	3,749,740	75,534,921	23,568,391	102,853,052
Exported Gallons	1,349,925	14,175,424	15,525,421	31,050,770
Distribution Allowance	16,089	421,916	27,394	465,399
Total Taxable Gallons	2,383,726	60,937,581	8,015,576	71,336,883
Remitted	\$116,121	\$19,296,005	\$2,350,699	\$21,762,825

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	55,069	0	183,452
Remitted	\$16,978	\$0	\$56,870

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
13	Agricultural	678	31,338	0	0	32,015
9	Federal Government	42,266	23,140	0	0	65,406
6	State Government	96,041	52,575	0	0	148,616
116	Other Political	130,823	62,676	1,727	0	195,226
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
32	Denaturing Alcohol	1,735,593	0	0	0	1,735,593
103	Commercial	40,240	245,967	0	0	286,207
0	Refund Agent	0	0	0	0	0
8	Transport Diversions	26,134	50,667	0	0	76,801
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
26	Excess Tax on Blended Fuel	47,791	493,394	0	5	541,190
313	TOTALS	\$2,119,566	\$959,755	\$1,727	\$5	\$3,081,054

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$94,563