

Iowa Department of **REVENUE**

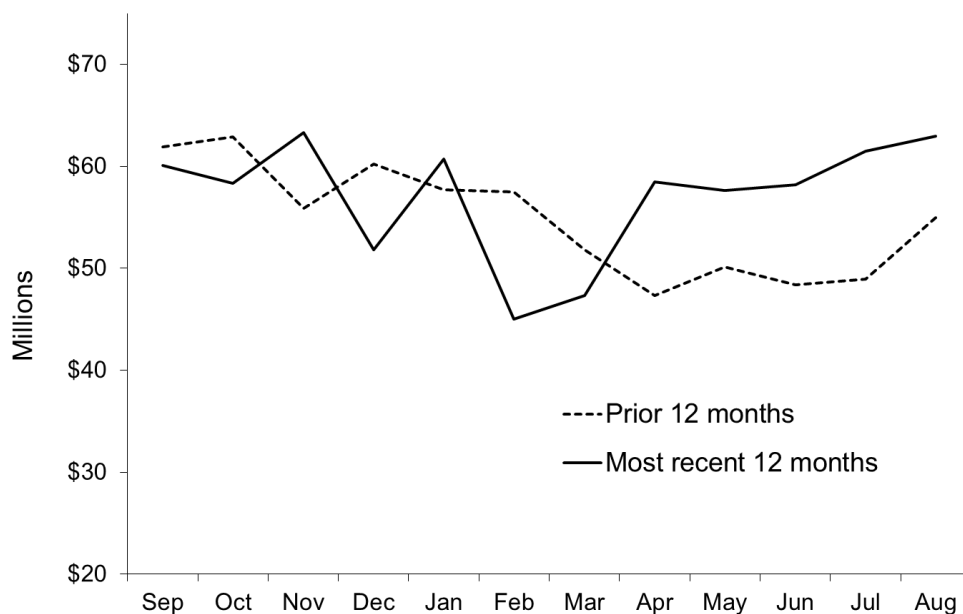
Fuel Tax Monthly Report for August 2021

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 August 2021 collections were \$62.9 million, 6.2 percent higher than August of last year. Year-over-year motor fuel net collections increased by 8.8 percent and collections on diesel increased by 1.2 percent. Monthly collections were higher than prior year numbers in nine 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 2021, taxable gallons of motor fuel were 6.9 percent higher than in the previous August; taxable gallons of diesel were 1.1 percent lower than in the prior August. 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 August 2021**



Source: Iowa Department of Revenue

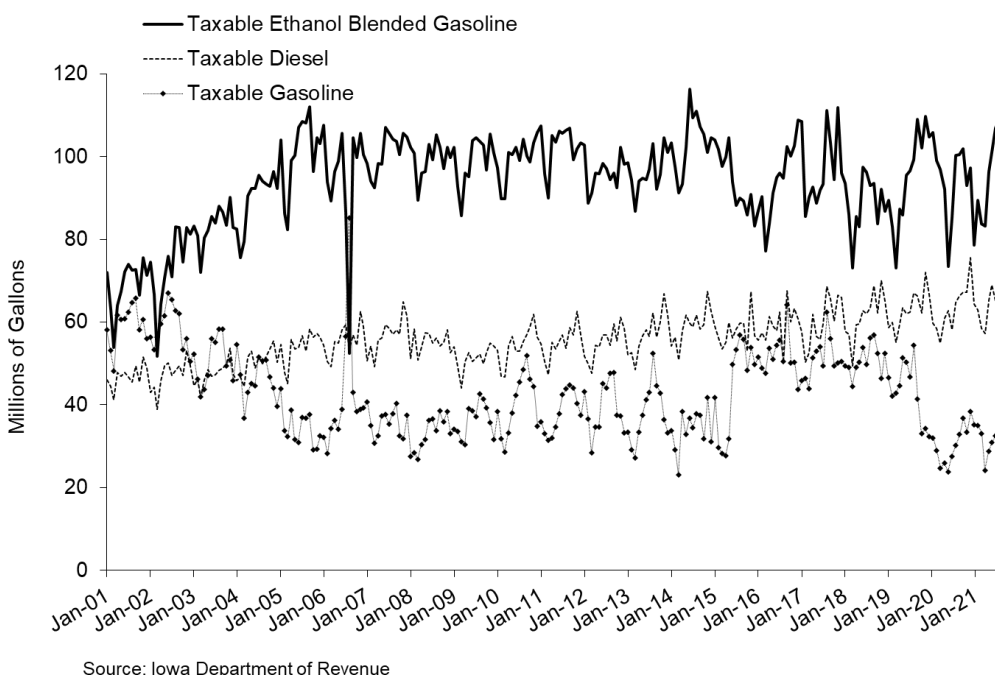
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the case for most E15 or Higher (gasoline blended with 15 percent of ethanol or higher percentages)

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 67.8 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 2021, gallons of ethanol blended gasoline represented 73.8 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2001 – August 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 30.4 cents per gallon and collects tax on the resulting ethanol blended gasoline at 24.0 cents per gallon. Therefore, the additional 6.4 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 30.4 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 2021

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$11,694,137	\$32,802,502	\$1,296,203	\$28,680	
Collections	Total Remitted	\$45,821,522			
Permit Refunds	Total Refunded	\$3,589,694			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$42,231,828	\$82,972,284	\$73,360,510	13.10%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
		\$281,946	\$18,968,569	\$3,060,887	
Collections	Total Remitted	\$22,311,402			
Permit Refunds	Total Refunded	\$1,536,653			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$20,774,749	\$41,752,312	\$39,372,899	6.04%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
		\$19,010	\$0	\$34,919	
Collections	Total Remitted	\$53,929			
Permit Refunds	Total Refunded	\$9,059			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$44,871	\$178,716	\$114,759	55.73%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable		
		\$0	\$41,976		
Collections	Total Remitted	\$41,976			
		Current Month	Fiscal YTD	Prior FYTD	Change
Misc. & Account Receivable		\$41,976	\$42,062	\$1,827,129	-97.70%

TOTAL

Collections		Current Month	Fiscal YTD	Prior FYTD	Change
		\$68,228,829	\$135,399,939	\$122,872,446	10.20%
Refunds					
Permit Refunds Including Interest		\$5,136,729			
Motor Fuel Individual/Corporate Credits		\$162,443			
Total Refunds and Credits		\$5,299,172	\$10,968,307	\$8,649,718	26.81%
Collections Less Permit Refunds and Credits		\$62,929,657	\$124,431,632	\$114,222,728	8.94%

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For Gallons Reported on Returns Filed in August 2021

MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	44,976,805	242,118,158	5,754,950	362,185	293,212,098
Exported Gallons	7,028,375	135,299,467	499,260	15,500	142,842,602
Distribution Allowance	606,026	1,700,228	81,779	3,230	2,391,263
Total Taxable Gallons	37,342,404	105,118,463	5,173,911	343,455	147,978,233
Remitted	\$11,694,137	\$32,802,502	\$1,296,203	\$28,680	\$45,821,522

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	7,996,845	68,483,064	24,526,227	101,006,136
Exported Gallons	2,559,133	12,185,039	14,845,732	29,589,904
Distribution Allowance	35,681	385,857	34,863	456,401
Total Taxable Gallons	5,402,031	55,912,168	9,645,632	70,959,831
Remitted	\$281,946	\$18,968,569	\$3,060,887	\$22,311,402

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	60,375	0	112,644
Remitted	\$19,010	\$0	\$34,919

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
19	Agricultural	5,667	28,702	0	0	34,369
4	Federal Government	47,141	6,109	0	0	53,250
12	State Government	44,341	722	0	0	45,063
233	Other Political	441,400	171,285	9,059	107	621,851
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
40	Denaturing Alcohol	2,686,359	0	0	0	2,686,359
161	Commercial	155,625	569,726	0	0	725,351
0	Refund Agent	0	0	0	0	0
22	Transport Diversions	49,768	61,213	0	51	111,033
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
31	Excess Tax on Blended Fuel	159,393	698,895	0	1,167	859,454
522	TOTALS	\$3,589,694	\$1,536,653	\$9,059	\$1,324	\$5,136,729

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$217,301