

Iowa Department of REVENUE

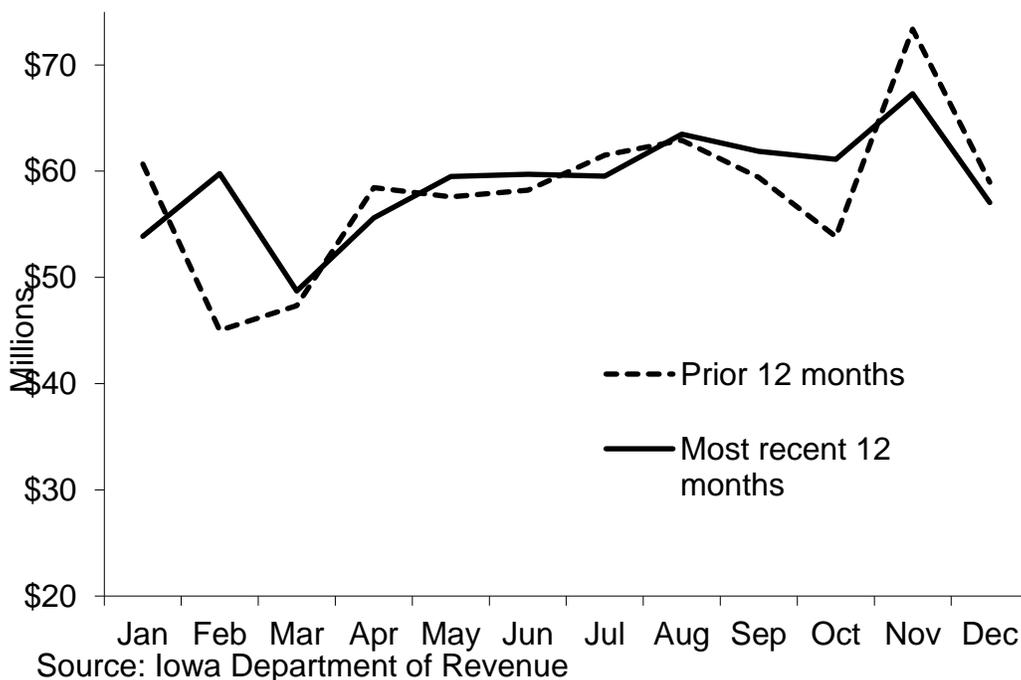
Fuel Tax Monthly Report for December 2022

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 2022, collections were \$57.1 million, 3.2 percent lower than December of last year. Year-over-year motor fuel net collections decreased by 10.9 percent and collections on diesel increased by 12.9 percent. Monthly collections were higher than prior year numbers in 7 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 2022, taxable gallons of motor fuel were 6.5 percent lower than in the previous December; taxable gallons of diesel were 14.1 percent higher than in the prior December.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for December 2022**



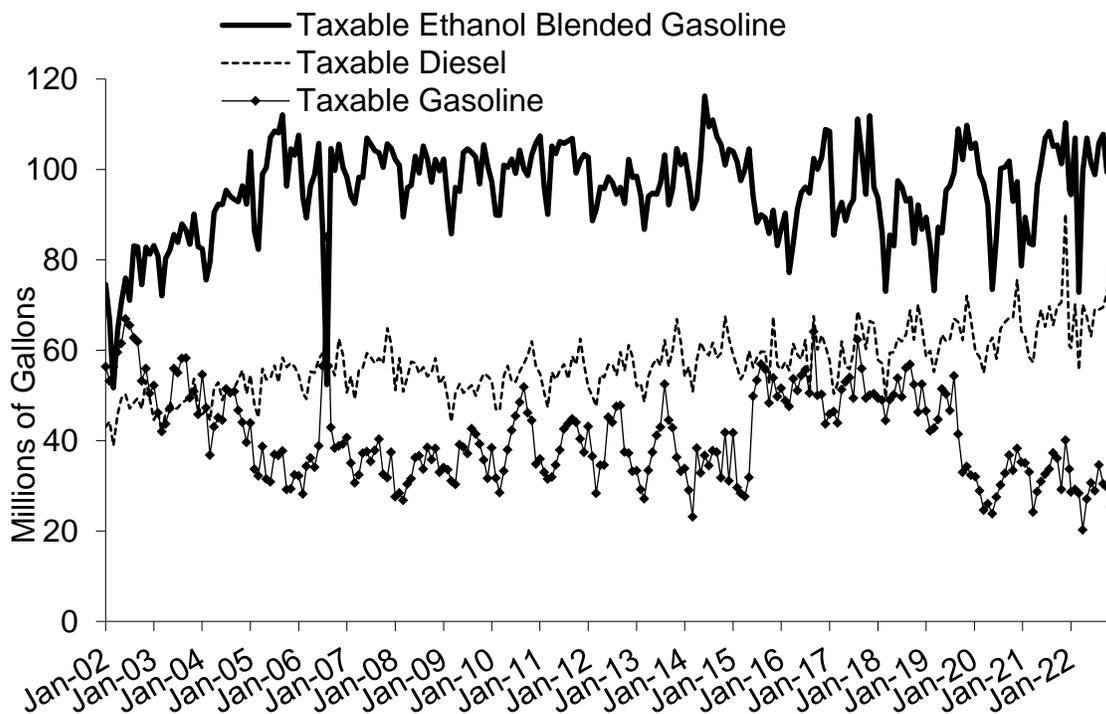
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the case for most E15 or Higher (gasoline blended with 15 percent of ethanol or higher percentages)

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 2002, taxable sales of ethanol blended gasoline and gasoline were roughly equal. As Figure 2 shows, demand shifted over the next several 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 69.5 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 December 2022, gallons of ethanol blended gasoline represented 75.2 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2002 – December 2022



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 2022**

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$9,006,770	\$27,240,195	\$2,177,708	\$11,754	
Collections	Total Remitted	\$38,436,428			
Permit Refunds	Total Refunded	<u>\$3,195,136</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$35,241,292	\$233,182,755	\$240,653,085	-3.10%

SPECIAL FUEL

Detailed Collections	Aviation Jet	Diesel	B11 or Higher		
	\$180,226	\$20,537,433	\$1,930,062		
Collections	Total Remitted	\$22,647,721			
Permit Refunds	Total Refunded	<u>\$778,391</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$21,869,330	\$137,807,001	\$129,859,741	6.12%

LPG, LNG, & CNG

Detailed Collections	LPG	LNG	CNG		
	\$14,084	\$0	\$51,917		
Collections	Total Remitted	\$66,001			
Permit Refunds	Total Refunded	<u>\$9,498</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$56,503	\$335,076	\$435,370	-23.04%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections	Miscellaneous	Accounts Receivable			
	\$0	\$0			
Collections	Total Remitted	<u>\$0</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Misc. & Account Receivable		\$0	\$0	\$61,769	-100.00%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$61,150,150	\$392,135,618	\$397,383,819	-1.32%
Refunds				
Permit Refunds Including Interest	\$3,984,208			
Motor Fuel Individual/Corporate Credits	<u>\$113,221</u>			
Total Refunds and Credits	\$4,097,429	\$21,754,163	\$27,361,862	-20.49%
Collections Less Permit Refunds and Credits	\$57,052,721	\$370,381,455	\$370,021,957	0.10%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	35,143,300	195,863,975	10,145,703	157,556	241,310,534
Exported Gallons	4,635,729	103,479,066	924,490	15,560	109,054,845
Distribution Allowance	487,466	1,470,250	147,538	2,271	2,107,525
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	30,020,105	90,914,659	9,073,675	139,725	130,148,164
Remitted	\$9,006,770	\$27,240,195	\$2,177,708	\$11,754	\$38,436,428

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	5,209,422	80,863,461	13,909,879	99,982,762
Exported Gallons	1,613,922	16,071,482	7,517,163	25,202,567
Distribution Allowance	24,590	449,688	13,136	487,414
Gallon Deduction for Reduced Tax Rate Sales	0	1,212,647	0	1,212,647
Total Taxable Gallons	3,570,910	63,129,644	6,379,580	73,080,134
Remitted	\$180,226	\$20,537,433	\$1,930,062	\$22,647,721

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	73,965	0	192,036
Remitted	\$14,084	\$0	\$51,917

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
14	Agricultural	2,381	52,134	504	0	55,019
3	Federal Government	7,009	9,018	0	0	16,028
15	State Government	144,458	9,123	0	0	153,581
264	Other Political	473,969	152,488	8,995	988	636,439
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
1	Extract of Nat'l Deposits	0	1,455	0	0	1,455
37	Denaturing Alcohol	2,214,213	0	0	152	2,214,365
99	Commercial	182,273	353,177	0	26	535,477
0	Refund Agent	0	0	0	0	0
7	Transport Diversions	4,290	5,880	0	17	10,186
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
14	Excess Tax on Blended Fuel	166,543	195,115	0	0	361,658
454	TOTALS	\$3,195,136	\$778,391	\$9,498	\$1,183	\$3,984,208

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$219,497