

Iowa Department of REVENUE

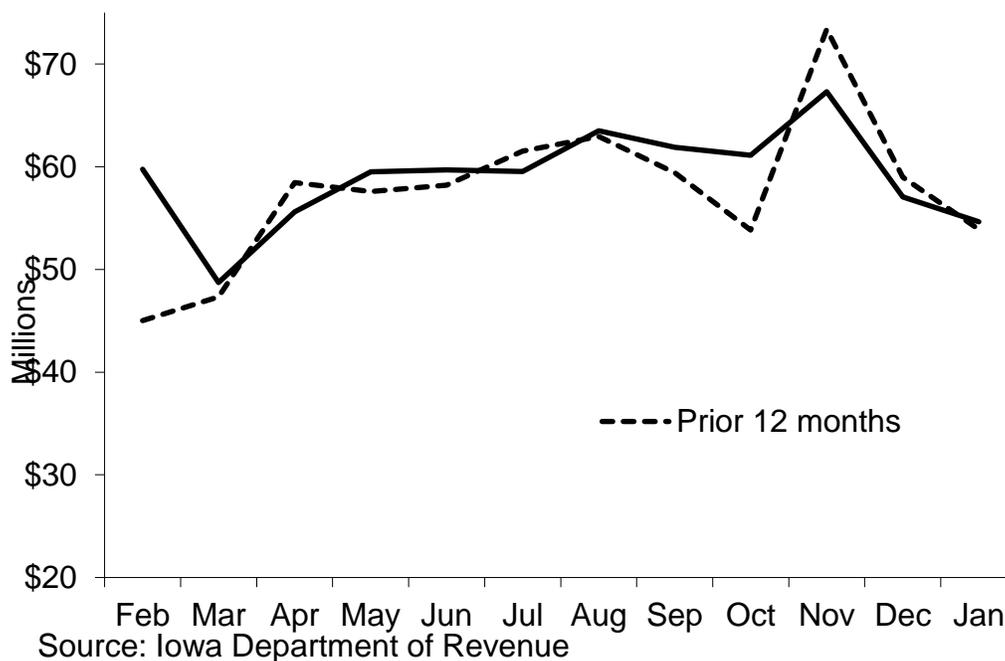
Fuel Tax Monthly Report for January 2023

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 January 2023, collections were \$54.6 million, 1.4 percent higher than January of last year. Year-over-year motor fuel net collections increased by 4.7 percent and collections on diesel decreased by 5.5 percent. Monthly collections were higher than prior year numbers in 8 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 January 2023, taxable gallons of motor fuel were 0.4 percent higher than in the previous January; taxable gallons of diesel were 12 percent lower than in the prior January.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for January 2023**



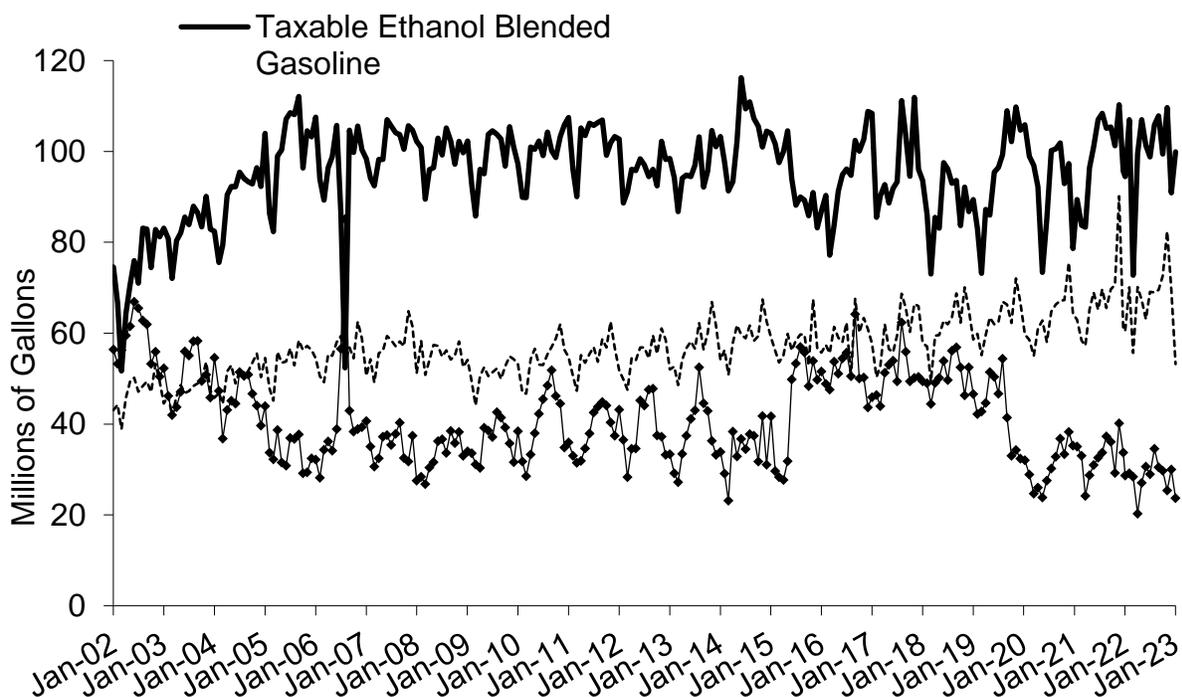
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the case for most E15 or Higher (gasoline blended with 15 percent of ethanol or higher percentages)

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 69.6 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 January 2023, gallons of ethanol blended gasoline represented 80.8 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2002 – January 2023



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 January 2023

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$7,055,969	\$29,964,558	\$2,475,735	\$7,128	
Collections	Total Remitted	\$39,503,391			
Permit Refunds	Total Refunded	<u>\$2,194,691</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$37,308,700	\$270,491,455	\$276,271,095	-2.09%

SPECIAL FUEL

Detailed Collections	Aviation Jet	Diesel	B11 or Higher		
	\$174,840	\$17,136,543	\$748,687		
Collections	Total Remitted	\$18,060,070			
Permit Refunds	Total Refunded	<u>\$737,841</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$17,322,229	\$155,129,230	\$148,189,433	4.68%

LPG, LNG, & CNG

Detailed Collections	LPG	LNG	CNG		
	\$23,366	\$0	\$37,099		
Collections	Total Remitted	\$60,464			
Permit Refunds	Total Refunded	<u>\$5,271</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$55,193	\$390,269	\$528,703	-26.18%

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
	\$57,623,925	\$449,759,543	\$454,213,354	-0.98%
Refunds				
Permit Refunds Including Interest	\$2,937,988			
Motor Fuel Individual/Corporate Credits	<u>\$39,401</u>			
Total Refunds and Credits	\$2,977,390	\$24,731,553	\$30,307,508	-18.40%
Collections Less Permit Refunds and Credits	\$54,646,535	\$425,027,990	\$423,905,846	0.26%

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For Gallons Reported on Returns Filed in January 2023

MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	28,221,603	201,545,531	10,771,248	83,201	240,621,583
Exported Gallons	4,115,795	100,009,844	302,709	3,027	104,431,375
Distribution Allowance	385,022	1,616,641	165,952	1,060	2,168,675
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	23,720,786	99,919,046	10,302,587	79,114	134,021,533
Remitted	\$7,055,969	\$29,964,558	\$2,475,735	\$7,128	\$39,503,391

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	5,083,486	59,651,401	6,166,973	70,901,860
Exported Gallons	1,571,274	8,476,981	3,767,889	13,816,144
Distribution Allowance	23,807	355,380	4,104	383,291
Gallon Deduction for Reduced Tax Rate Sales	0	341	0	341
Total Taxable Gallons	3,488,405	50,818,699	2,394,980	56,702,084
Remitted	\$174,840	\$17,136,543	\$748,687	\$18,060,070

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	37,229	0	93,238
Remitted	\$23,366	\$0	\$37,099

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
13	Agricultural	4,512	26,573	63	0	31,148
4	Federal Government	12,189	66,902	0	0	79,091
10	State Government	31,430	710	0	0	32,140
141	Other Political	254,830	50,375	5,208	19	310,431
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
31	Denaturing Alcohol	1,767,638	0	0	0	1,767,638
110	Commercial	46,284	276,450	0	85	322,819
0	Refund Agent	0	0	0	0	0
7	Transport Diversions	25,863	62,283	0	0	88,146
0	Casualty Losses	0	0	0	0	0
1	Special Fuel Blending	0	1,402	0	81	1,483
20	Excess Tax on Blended Fuel	51,945	253,147	0	0	305,091
337	TOTALS	\$2,194,691	\$737,841	\$5,271	\$185	\$2,937,988

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$248,511