

Iowa Department of **REVENUE**

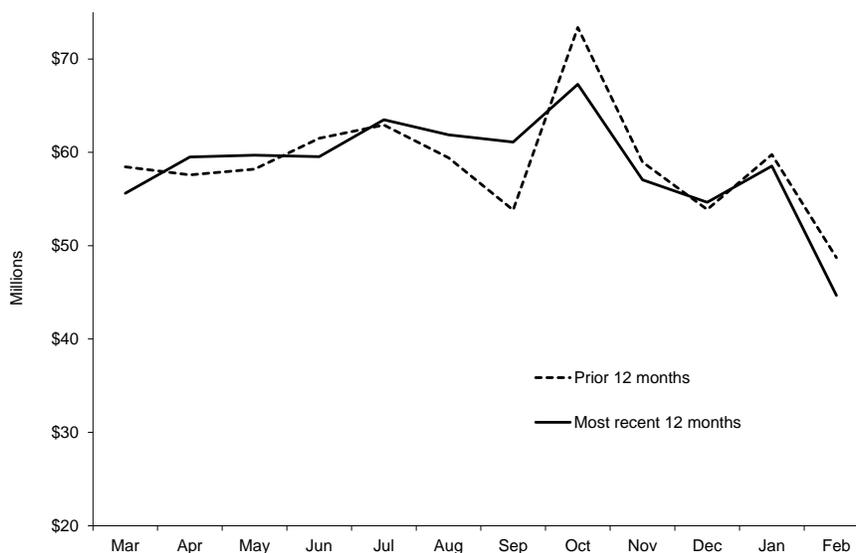
Fuel Tax Monthly Report for March 2023

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 March 2023, collections were \$44.7 million, 8.3 percent lower than March of last year. Year-over-year motor fuel net collections decreased by 0.4 percent and collections on diesel decreased by 20.4 percent. Monthly collections were higher than prior year numbers in 6 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 March 2023, taxable gallons of motor fuel were 4.7 percent higher than in the previous March; taxable gallons of diesel were 18.1 percent lower than in the prior March.

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



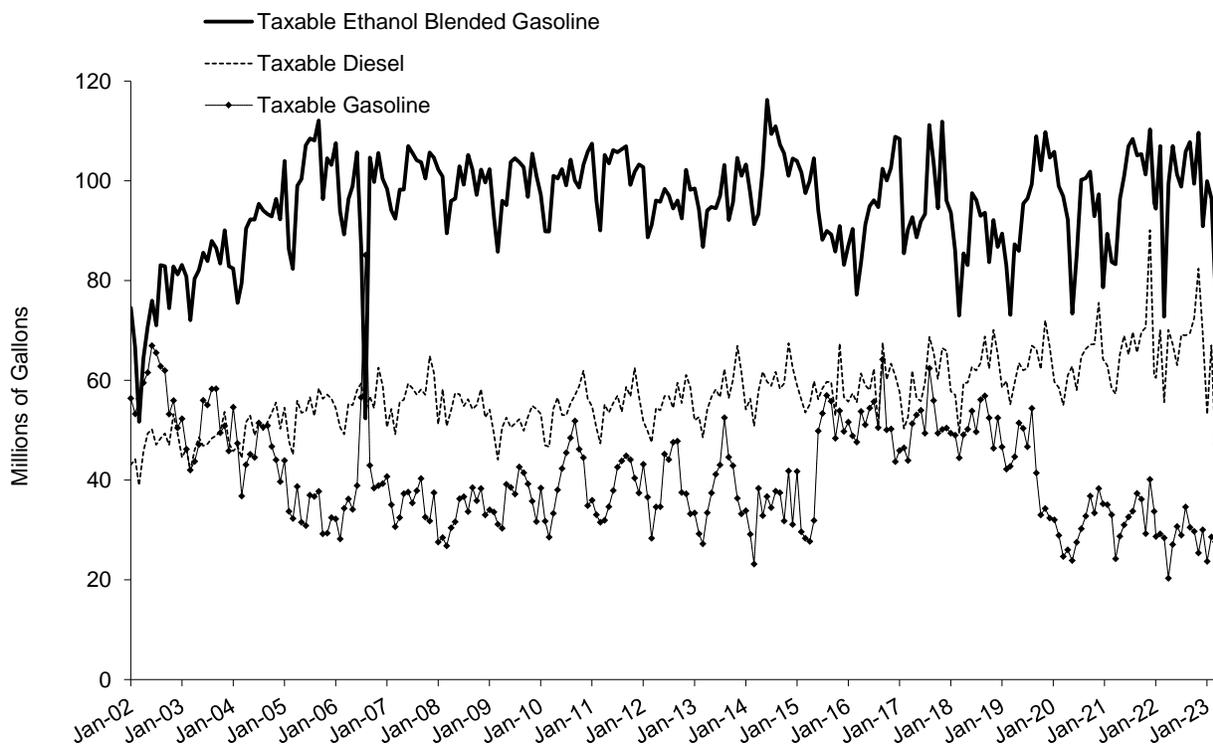
Source: Iowa Department of Revenue

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 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 69.7 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 March 2023, gallons of ethanol blended gasoline represented 73.9 percent of motor fuel taxable gallons.

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

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$8,288,895	\$23,386,506	\$1,426,952	\$5,694	
Collections	Total Remitted	\$33,108,047			
Permit Refunds	Total Refunded	\$2,772,356			
Collections Less Permit Refunds		Current Month \$30,335,691	Fiscal YTD \$338,394,908	Prior FYTD \$344,889,922	Change -1.88%

SPECIAL FUEL

Detailed Collections	Aviation Jet	Diesel	B11 or Higher		
	\$162,075	\$14,916,071	\$663,178		
Collections	Total Remitted	\$15,741,324			
Permit Refunds	Total Refunded	\$535,586			
Collections Less Permit Refunds		Current Month \$15,205,738	Fiscal YTD \$191,316,649	Prior FYTD \$188,943,166	Change 1.26%

LPG, LNG, & CNG

Detailed Collections	LPG	LNG	CNG		
	\$13,239	\$0	\$42,702		
Collections	Total Remitted	\$55,941			
Permit Refunds	Total Refunded	\$1,673			
Collections Less Permit Refunds		Current Month \$54,268	Fiscal YTD \$513,849	Prior FYTD \$675,572	Change -23.94%

MISC. & ACCOUNTS RECEIVABLE

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

TOTAL

Collections	Current Month \$48,905,312	Fiscal YTD \$560,190,455	Prior FYTD \$572,238,616	Change -2.11%
Refunds				
Permit Refunds Including Interest	\$3,310,385			
Motor Fuel Individual/Corporate Credits	\$919,509			
Total Refunds and Credits	\$4,229,893	\$31,943,719	\$39,847,037	-19.83%
Collections Less Permit Refunds and Credits	\$44,675,419	\$528,246,736	\$532,391,579	-0.78%

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For Gallons Reported on Returns Filed in March 2023

MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	32,915,646	167,483,756	6,331,227	105,745	206,836,374
Exported Gallons	4,850,263	87,938,669	304,891	5,300	93,099,123
Distribution Allowance	448,264	1,265,690	96,420	768	1,811,142
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	27,617,119	78,279,397	5,929,916	99,677	111,926,109
Remitted	\$8,288,895	\$23,386,506	\$1,426,952	\$5,694	\$33,108,047

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,487,458	51,240,492	8,425,668	64,153,618
Exported Gallons	1,160,099	7,249,255	6,528,892	14,938,246
Distribution Allowance	22,850	304,384	4,258	331,492
Gallon Deduction for Reduced Tax Rate Sales	0	1,106	0	1,106
Total Taxable Gallons	3,304,509	43,685,747	1,892,518	48,882,774
Remitted	\$162,075	\$14,916,071	\$663,178	\$15,741,324

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	49,586	0	119,777
Remitted	\$13,239	\$0	\$42,702

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
9	Agricultural	1,584	3,920	0	0	5,503
4	Federal Government	113,447	13,412	0	0	126,859
12	State Government	131,576	8,225	0	0	139,800
159	Other Political	179,703	59,610	1,673	22	241,009
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
39	Denaturing Alcohol	1,811,340	0	0	213	1,811,554
86	Commercial	424,131	164,436	0	523	589,090
0	Refund Agent	0	0	0	0	0
9	Transport Diversions	26,512	15,615	0	11	42,139
0	Casualty Losses	0	0	0	0	0
1	Special Fuel Blending	0	1,834	0	0	1,834
18	Excess Tax on Blended Fuel	84,063	268,534	0	0	352,596
337	TOTALS	\$2,772,356	\$535,586	\$1,673	\$770	\$3,310,385

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$129,393