

Iowa Department of **REVENUE**

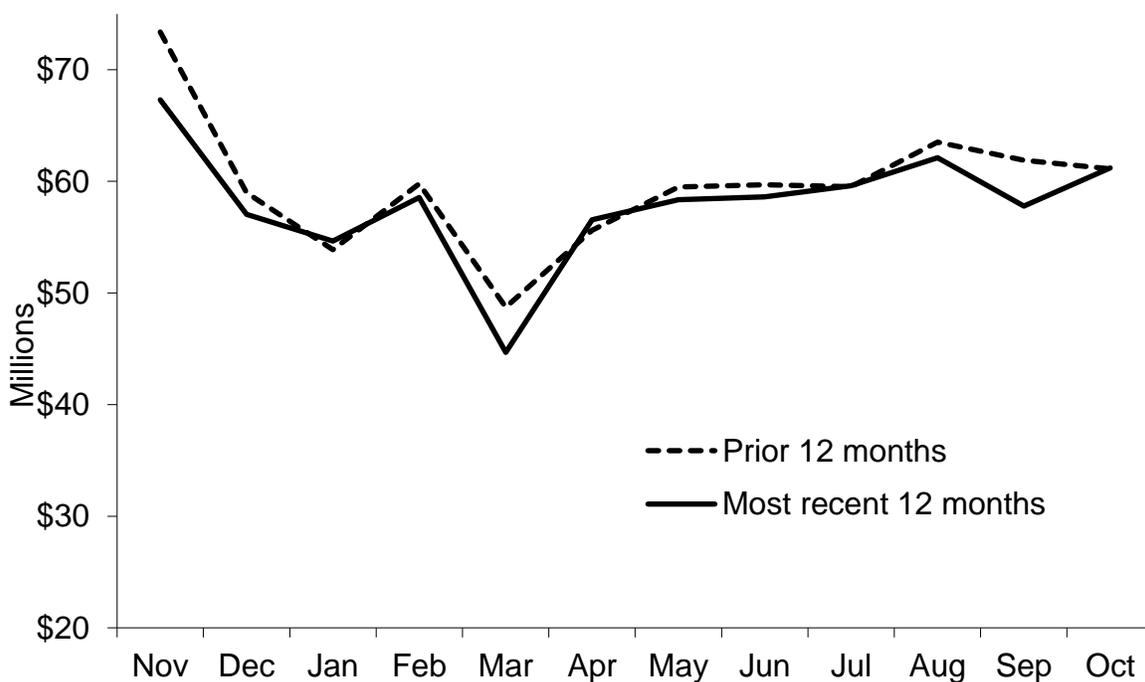
Fuel Tax Monthly Report for Oct 2023

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 Oct 2023, collections were \$61.2 million, 0.1 percent higher than Oct of last year. Year-over-year motor fuel net collections increased by 2.5 percent and collections on diesel decreased by 4.6 percent. Monthly collections were higher than prior year numbers in 4 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 Oct 2023, taxable gallons of motor fuel were 4.4 percent lower than in the previous Oct; taxable gallons of diesel were 7.8 percent lower than in the prior Oct.

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



Source: Iowa Department of Revenue

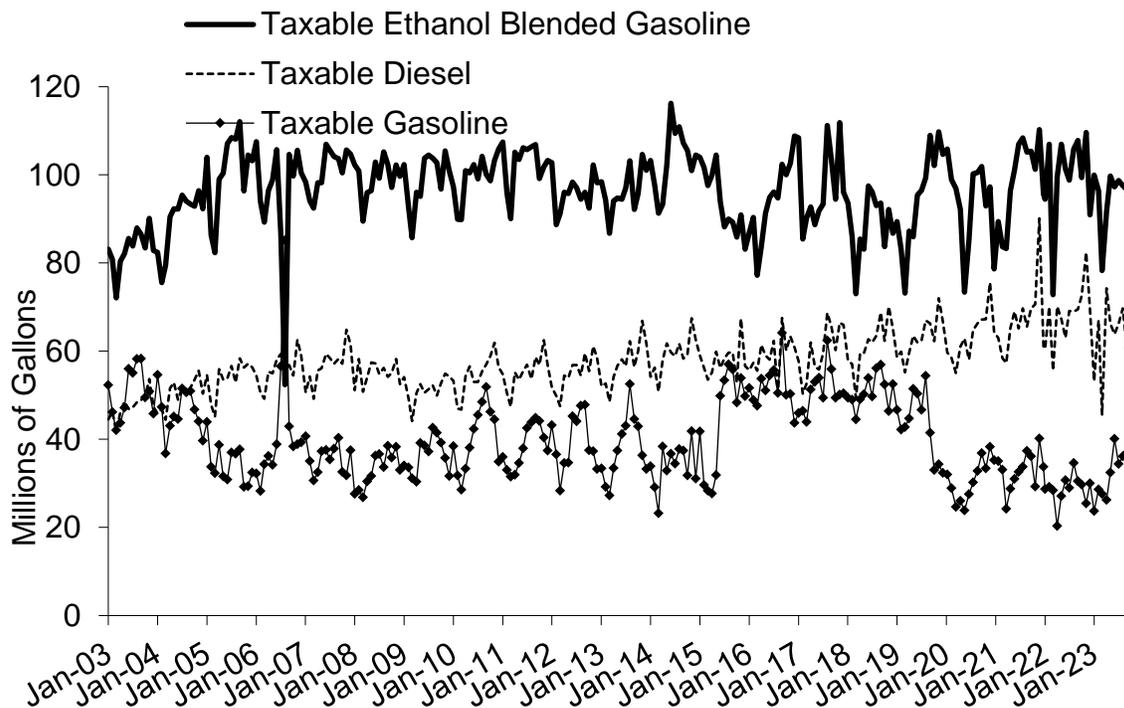
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the

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 2003, 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 70 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 Oct 2023, gallons of ethanol blended gasoline represented 74.2 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2003 – Oct 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 24.5 cents per gallon. Therefore, the additional 5.5 cents paid on the gasoline is eligible for refund; similarly for the 2.7 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 October 2023**

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$9,540,296	\$27,409,379	\$2,731,782	\$15,724	
Collections	Total Remitted	\$39,697,181			
Permit Refunds	Total Refunded	<u>\$333,736</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$39,363,445	\$158,682,475	\$156,677,378	1.28%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
		\$187,834	\$18,350,503	\$3,551,689	
Collections	Total Remitted	\$22,090,026			
Permit Refunds	Total Refunded	<u>\$174,628</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$21,915,398	\$82,437,864	\$89,831,830	-8.23%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
		\$22,548	\$0	\$63,173	
Collections	Total Remitted	\$85,722			
Permit Refunds	Total Refunded	<u>\$93</u>			
		Current Month	Fiscal YTD	Prior FYTD	Change
Collections Less Permit Refunds		\$85,629	\$189,936	\$253,830	-25.17%

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	\$0	0.00%

TOTAL

Collections		Current Month	Fiscal YTD	Prior FYTD	Change
		\$61,872,929	\$252,868,335	\$259,975,954	-2.73%
Refunds					
Permit Refunds Including Interest		\$514,285			
Motor Fuel Individual/Corporate Credits		<u>\$161,508</u>			
Total Refunds and Credits		\$675,792	\$12,164,927	\$13,946,080	-12.77%
Collections Less Permit Refunds and Credits		\$61,197,136	\$240,703,407	\$246,029,874	-2.16%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	36,928,717	213,624,413	13,018,166	255,151	263,826,447
Exported Gallons	4,609,722	120,469,848	1,690,909	0	126,770,479
Distribution Allowance	515,934	1,478,495	177,127	4,004	2,175,560
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	31,803,061	91,676,070	11,150,130	251,147	134,880,408
Remitted	\$9,540,296	\$27,409,379	\$2,731,782	\$15,724	\$39,697,181

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	5,174,466	69,384,450	17,576,117	92,135,033
Exported Gallons	1,454,944	12,481,828	7,030,154	20,966,926
Distribution Allowance	25,836	392,536	36,192	454,564
Gallon Deduction for Reduced Tax Rate Sales	0	67,971	0	67,971
Total Taxable Gallons	3,693,686	56,442,115	10,509,771	70,645,572
Remitted	\$187,834	\$18,350,503	\$3,551,689	\$22,090,026

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	52,536	0	137,025
Remitted	\$22,548	\$0	\$63,173

REFUND SUMMARY

DOLLARS

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
2	Agricultural	342	0	0	0	342
1	Federal Government	1,893	89	0	0	1,983
5	State Government	5,653	0	0	0	5,653
78	Other Political	91,778	30,089	93	0	121,960
0	Urban Transit	0	0	0	0	0
0	Regional Transit	0	0	0	0	0
0	Native American	0	0	0	0	0
1	Contract Carrier	144	1,318	0	7	1,469
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
9	Denaturing Alcohol	192,930	0	0	378	193,307
53	Commercial	40,828	113,481	0	4,623	158,931
0	Refund Agent	0	0	0	0	0
0	Transport Diversions	0	0	0	0	0
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
5	Excess Tax on Blended Fuel	168	29,651	0	820	30,639
154	TOTALS	\$333,736	\$174,628	\$93	\$5,828	\$514,285

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$77,402