

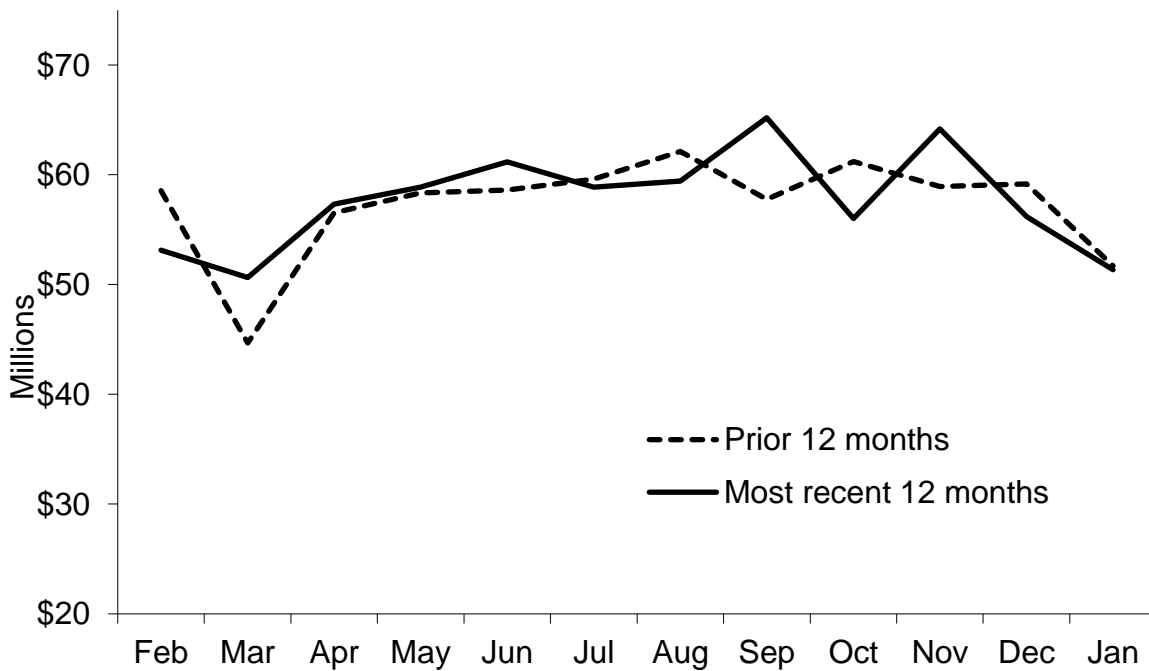
Fuel Tax Monthly Report for January 2025

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](https://www.iowa.gov/department-of-revenue). 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 2025, collections were \$51.4 million, 0.7 percent lower than January of last year. Year-over-year motor fuel net collections decreased by 1.4 percent and collections on diesel increased by 0.6 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 January 2025, taxable gallons of motor fuel were 11.6 percent lower than in the previous January; taxable gallons of diesel were 1.8 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 2025



Source: Iowa Department of Revenue

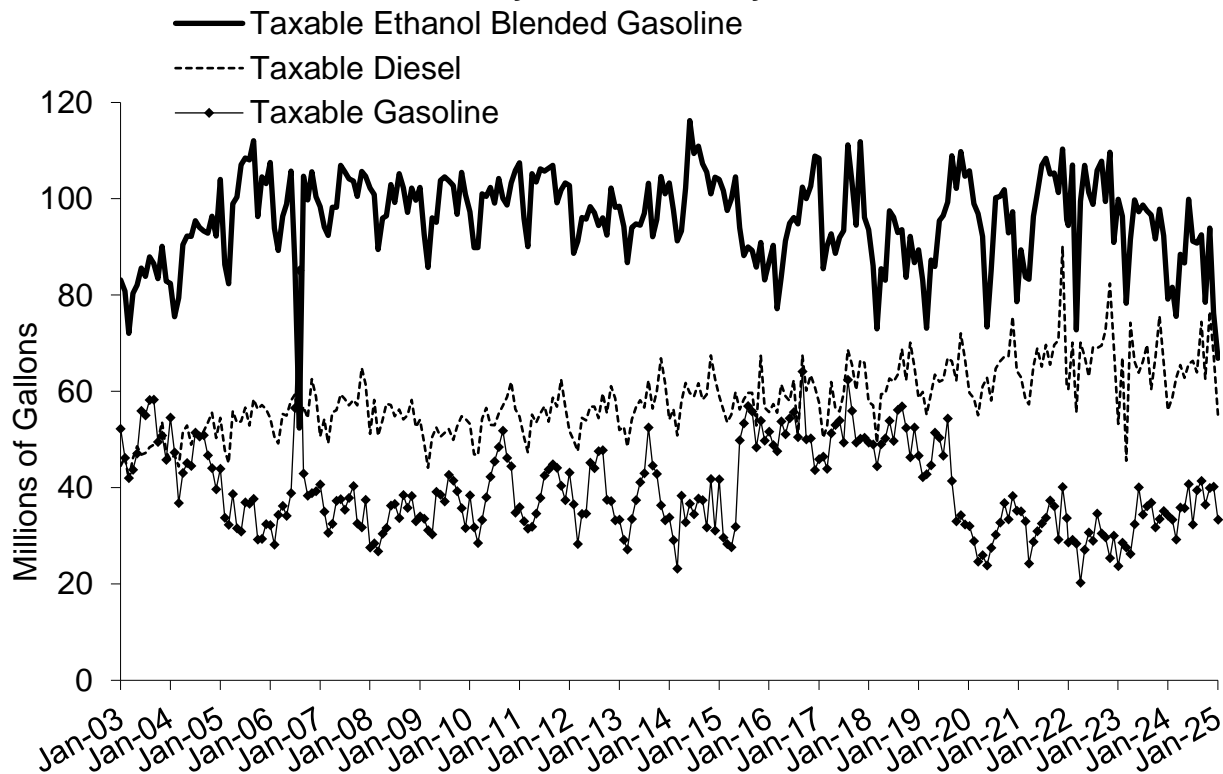
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the case for most E15 or Higher (gasoline blended with 15 percent of ethanol or higher percentages)

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 70.1 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 2025, gallons of ethanol blended gasoline represented 66.7 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2003 – January 2025



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 25.5 cents per gallon. Therefore, the additional 4.5 cents paid on the gasoline is eligible for refund; similarly for the 3.0 cent gap between taxes on diesel and B20 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 2025

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$10,021,893	\$20,037,015	\$5,671,253	\$7,993	
Collections	Total Remitted	\$35,738,154			
Permit Refunds	Total Refunded	<u>\$1,963,430</u>			
Collections Less Permit Refunds		Current Month \$33,774,724	Fiscal YTD \$267,407,778	Prior FYTD \$266,587,544	Change 0.31%

SPECIAL FUEL

Detailed Collections	Aviation Jet	Diesel	B11 or Higher	B20 or Higher	
	\$179,260	\$17,145,486	\$0	\$838,101	
Collections	Total Remitted	\$18,162,846			
Permit Refunds	Total Refunded	<u>\$339,525</u>			
Collections Less Permit Refunds		Current Month \$17,823,322	Fiscal YTD \$145,029,748	Prior FYTD \$144,625,905	Change 0.28%

ELECTRIC FUEL, LPG, & CNG

Detailed Collections	Electric Fuel	LPG	CNG		
	\$11,516	\$4,749	\$31,909		
Collections	Total Remitted	\$48,173			
Permit Refunds	Total Refunded	<u>\$37</u>			
Collections Less Permit Refunds		Current Month \$48,136	Fiscal YTD \$458,655	Prior FYTD \$399,698	Change 14.75%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections	Miscellaneous	Accounts Receivable	
	\$0	\$0	
Collections	Total Remitted	<u>\$0</u>	
Misc. & Account Receivable		Current Month \$0	Fiscal YTD \$0
			Prior FYTD \$0
			Change 0.00%

TOTAL

Collections	Current Month \$53,949,174	Fiscal YTD \$438,719,310	Prior FYTD \$440,864,292	Change -0.49%
Refunds				
Permit Refunds Including Interest	\$2,303,862			
Motor Fuel Individual/Corporate Credits	<u>\$287,500</u>			
Total Refunds and Credits	\$2,591,362	\$27,443,184	\$30,375,250	-9.65%
Collections Less Permit Refunds and Credits	\$51,357,812	\$411,276,126	\$410,489,042	0.19%

**Iowa Department of Revenue
Fuel Tax Monthly Report
For Gallons Reported on Returns Filed in January 2025**

MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	41,608,339	168,809,688	24,269,722	101,380	234,789,129
Exported Gallons	7,698,289	100,872,795	1,679,838	0	110,250,922
Distribution Allowance	536,789	1,081,857	361,440	1,485	1,981,571
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	33,373,261	66,855,036	22,228,444	99,895	122,556,636
Remitted	\$10,021,893	\$20,037,015	\$5,671,253	\$7,993	\$35,738,154

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	B20 or Higher	Special Fuel Total
Gross Gallons Received	5,570,239	64,015,561	0	8,037,767	77,623,567
Exported Gallons	1,960,464	11,037,210	0	5,549,003	18,546,677
Distribution Allowance	24,937	368,554	0	12,037	405,528
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	3,584,838	52,609,797	0	2,476,727	58,671,362
Remitted	\$179,260	\$17,145,486	\$0	\$838,101	\$18,162,846

ELECTRIC FUEL, LPG, & CNG KWHS/GALLONS SUMMARY

	Electric Fuel	LPG	CNG
Total Taxable kWhs/Gallons	307,620	10,287	91,914
Remitted	\$11,516	\$4,749	\$31,909

REFUND SUMMARY

Number of Claims	Permit Type	DOLLARS				Total
		Motor Fuel	Special Fuel	Electric Fuel, LPG, & CNG	Interest Paid	
18	Agricultural	2,670	85,917	37	211	88,835
3	Federal Government	3,776	837	0	0	4,612
11	State Government	23,947	511	0	0	24,458
119	Other Political	238,657	64,800	0	185	303,641
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	932	0	0	932
18	Denaturing Alcohol	1,352,353	0	0	0	1,352,353
93	Commercial	17,103	160,983	0	437	178,523
0	Refund Agent	0	0	0	0	0
18	Transport Diversions	14,178	26,623	0	37	40,838
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
8	Excess Tax on Blended Fuel	310,747	(1,078)	0	1	309,670
289	TOTALS	\$1,963,430	\$339,525	\$37	\$871	\$2,303,862

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$117,691

Please note that for tax periods after 7/1/2024, gallons of B11 to B19 are taxed as undyed special fuel and gallons of B20 or Higher are taxed at a reduced rate.