

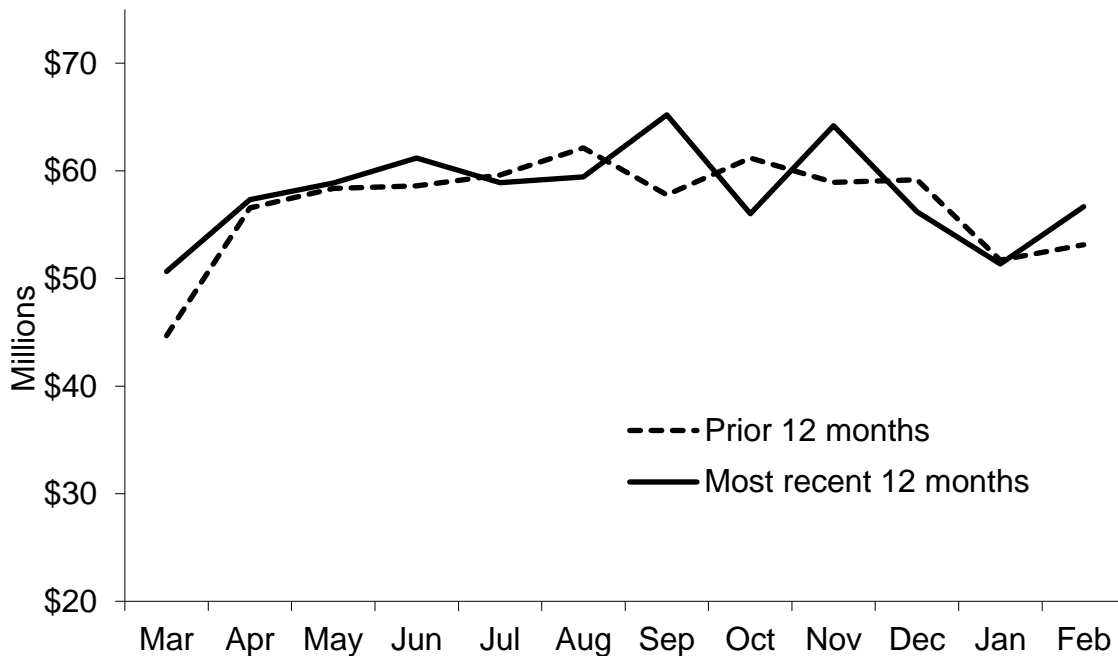
Fuel Tax Monthly Report for February 2025

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 February 2025, collections were \$56.7 million, 6.6 percent higher than February of last year. Year-over-year motor fuel net collections increased by 5.4 percent and collections on diesel increased by 8.4 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 February 2025, taxable gallons of motor fuel were 4.1 percent lower than in the previous February; taxable gallons of diesel were 16.6 percent higher than in the prior February.

Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits: Most Recent 12 Months Compared to Prior 12 Months for February 2025



Source: Iowa Department of Revenue

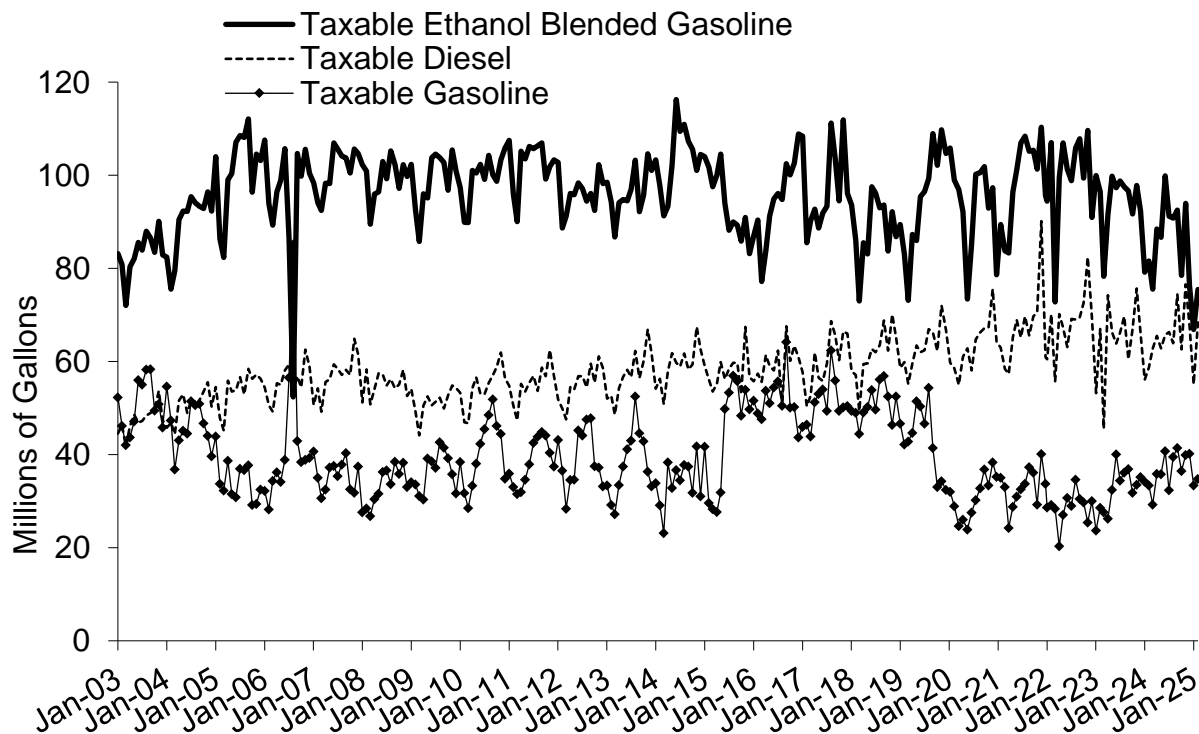
Collections and gallon amounts contained in this report are from the Supplier/Terminal or “Rack” level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the case for most E15 or Higher (gasoline blended with 15 percent of ethanol or higher percentages)

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 February 2025, gallons of ethanol blended gasoline represented 68.5 percent of motor fuel taxable gallons.

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

MOTOR FUEL

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline	
	\$10,429,925	\$22,067,731	\$6,587,306	\$6,329	
Collections	Total Remitted	\$39,091,291			
Permit Refunds	Total Refunded	<u>\$3,146,897</u>			
Collections Less Permit Refunds		Current Month \$35,944,395	Fiscal YTD \$303,352,173	Prior FYTD \$300,692,372	Change 0.88%

SPECIAL FUEL

Detailed Collections	Aviation Jet	Diesel	B11 or Higher	B20 or Higher	
	\$180,882	\$21,843,647	\$0	\$584,585	
Collections	Total Remitted	\$22,609,113			
Permit Refunds	Total Refunded	<u>\$1,040,959</u>			
Collections Less Permit Refunds		Current Month \$21,568,155	Fiscal YTD \$166,597,903	Prior FYTD \$164,524,585	Change 1.26%

ELECTRIC FUEL, LPG, & CNG

Detailed Collections	Electric Fuel	LPG	CNG		
	\$4,608	\$5,274	\$30,397		
Collections	Total Remitted	\$40,279			
Permit Refunds	Total Refunded	<u>\$4,176</u>			
Collections Less Permit Refunds		Current Month \$36,104	Fiscal YTD \$494,759	Prior FYTD \$463,440	Change 6.76%

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 \$61,740,684	Fiscal YTD \$500,459,994	Prior FYTD \$498,154,273	Change 0.46%
Refunds					
Permit Refunds Including Interest		\$4,199,670			
Motor Fuel Individual/Corporate Credits		<u>\$884,821</u>			
Total Refunds and Credits		\$5,084,491	\$32,527,675	\$34,524,323	-5.78%
Collections Less Permit Refunds and Credits		\$56,656,193	\$467,932,319	\$463,629,950	0.93%

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

MOTOR FUEL GALLONS SUMMARY

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	44,165,096	191,034,263	30,455,321	83,771	265,738,451
Exported Gallons	8,838,424	114,356,695	3,547,776	3,550	126,746,445
Distribution Allowance	560,207	1,222,080	428,347	1,116	2,211,750
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	34,766,465	75,455,488	26,479,198	79,105	136,780,256
Remitted	\$10,429,925	\$22,067,731	\$6,587,306	\$6,329	\$39,091,291

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	B20 or Higher	Special Fuel Total
Gross Gallons Received	5,547,072	80,620,675	0	7,383,058	93,550,805
Exported Gallons	1,904,073	13,691,007	0	5,458,476	21,053,556
Distribution Allowance	25,390	467,194	0	5,255	497,839
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	3,617,609	66,462,474	0	1,919,327	71,999,410
Remitted	\$180,882	\$21,843,647	\$0	\$584,585	\$22,609,113

ELECTRIC FUEL, LPG, & CNG KWHS/GALLONS SUMMARY

	Electric Fuel	LPG	CNG
Total Taxable kWhs/Gallons	220,022	16,664	105,231
Remitted	\$4,608	\$5,274	\$30,397

REFUND SUMMARY

Number of Claims	Permit Type	DOLLARS				
		Motor Fuel	Special Fuel	Electric Fuel, LPG, & CNG	Interest Paid	Total
5	Agricultural	521	8,500	0	0	9,021
6	Federal Government	96,280	11,118	0	0	107,397
5	State Government	22,333	1,140	0	17	23,490
102	Other Political	211,214	14,492	4,176	576	230,458
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	2,012	0	0	2,012
30	Denaturing Alcohol	2,158,269	0	0	3,839	2,162,108
69	Commercial	24,004	225,729	0	886	250,619
0	Refund Agent	0	0	0	0	0
10	Transport Diversions	21,948	15,636	0	107	37,691
0	Casualty Losses	0	0	0	0	0
0	Special Fuel Blending	0	0	0	0	0
29	Excess Tax on Blended Fuel	612,328	762,333	0	2,214	1,376,874
257	TOTALS	\$3,146,897	\$1,040,959	\$4,176	\$7,639	\$4,199,670

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$247,449

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.