



# Iowa Department of **REVENUE**

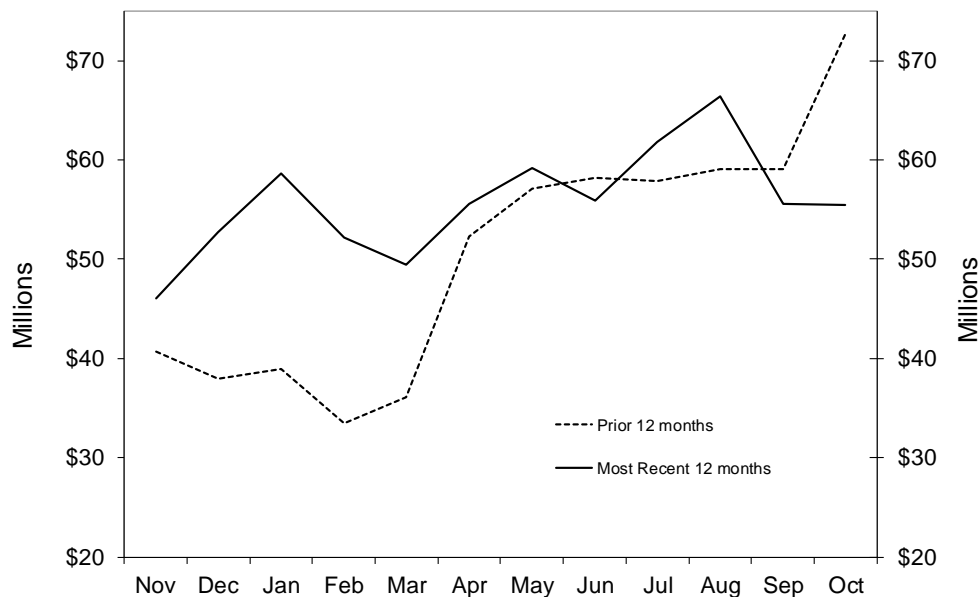
## Fuel Tax Monthly Report for October 2016

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 as well as collections from prior tax periods reported as accounts receivable. Fiscal Year-To-Date and Prior Fiscal Year-To-Date collections, refunds and 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. Monthly collections were higher than prior year numbers in ten of the last twelve months. Since April 2015, year-over-year growth in net collections has reflected across-the-board tax rate increases that became effective in March 2015. Because these higher tax rates were effective for collections beginning in April 2015, year-over-year differences in net collections since April 2016 mostly reflect changes in consumption. (Small rate changes occurred July 1, 2015 and July 1, 2016.) Net collections in October 2016 were \$55.4 million, representing a 23.6 percent decrease from October of the previous year when several large taxpayers made prepayments for November liabilities.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:  
Most Recent 12 Months Compared to Prior 12 Months for October 2016**



Source: Iowa Department of Revenue

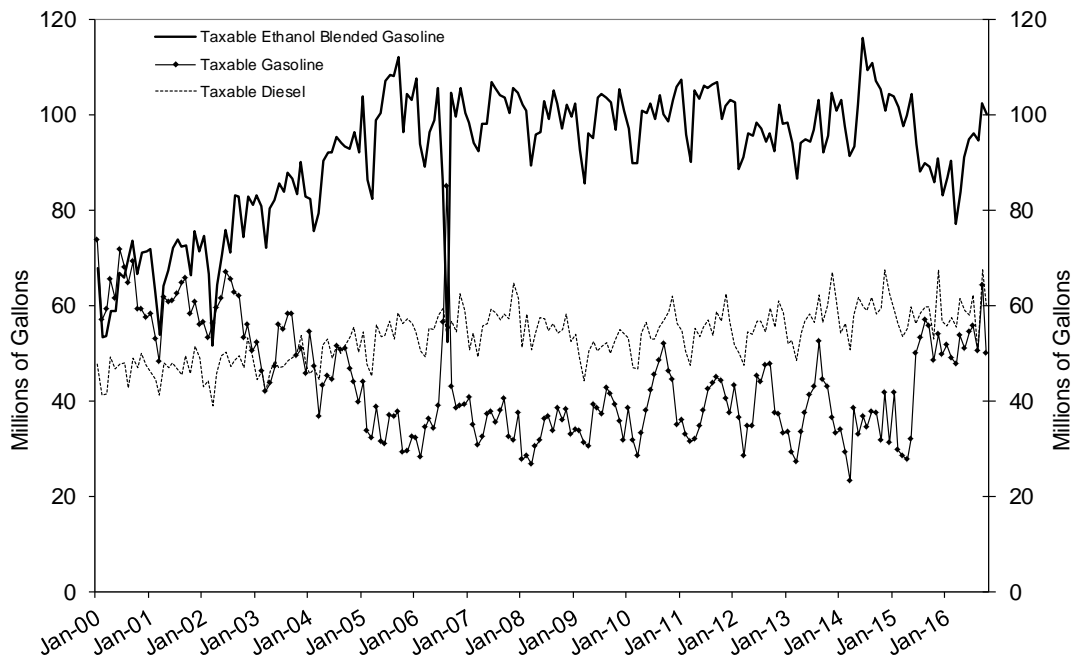
Page 4 of the report shows gross gallons and taxable gallons by fuel type. Exported gallons account for most of the difference between gross and taxable amounts since Iowa exports well over half of

the ethanol blended gasoline produced in the state. Though infrequent, the number of taxable gallons may be reported in a month other than that for which taxes are remitted.

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 throughout the fuel distribution chain. This is the case for most E85 (gasoline blended with 70 to 85 percent ethanol) gallons, so the gallons reported for this fuel type are far below the number of retail gallons sold in Iowa.

In 2000, taxable sales of ethanol blended gasoline and gasoline were roughly equal. As Figure 2 shows, demand shifted over the next six years to ethanol blended gasoline, except for August 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. Since June 2015, the average percentage of taxable gallons reported as ethanol blended gasoline has fallen to 63 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.

**Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – October 2016**



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 30.7 cents per gallon and collects tax on the resulting ethanol blended gasoline at 29.0 cents per gallon. Therefore, the additional 1.7 cents paid on the gasoline is eligible for refund; similarly for the 3 cent gap between taxes on diesel and B11 or higher blends. The denaturing alcohol refund applies when the denaturant (gasoline) taxed at 30.7 cents per gallon is blended with food grade alcohol to produce ethanol. 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 2016**

**MOTOR FUEL**

Detailed Collections	Ethanol Blended		E85	Aviation Gasoline	
	Gasoline	Gasoline			
	\$14,741,056	\$27,796,431	\$156,339	\$12,776	
<b>Collections</b>	Total Remitted	\$42,706,602			
<b>Permit Refunds</b>	Total Refunded	<u>\$5,025,234</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$37,681,368	<b>Fiscal YTD</b> \$165,595,117	<b>Prior FYTD</b> \$169,250,003	<b>Change</b> -2.16%

**SPECIAL FUEL**

Detailed Collections	Aviation Jet		Diesel	B11 or Higher	
		\$146,530	\$17,095,627	\$1,499,311	
<b>Collections</b>	Total Remitted	\$18,741,468			
<b>Permit Refunds</b>	Total Refunded	<u>\$1,122,304</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$17,619,164	<b>Fiscal YTD</b> \$73,655,038	<b>Prior FYTD</b> \$79,518,069	<b>Change</b> -7.37%

**LPG, LNG, & CNG**

Detailed Collections	LPG		LNG	CNG	
		\$16,914	\$0	\$74,378	
<b>Collections</b>	Total Remitted	\$91,292			
<b>Permit Refunds</b>	Total Refunded	<u>\$618</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$90,674	<b>Fiscal YTD</b> \$331,295	<b>Prior FYTD</b> \$285,573	<b>Change</b> 16.01%

**MISC. & ACCOUNTS RECEIVABLE**

Detailed Collections	Miscellaneous		Accounts Receivable		
		\$0	\$189,937		
<b>Collections</b>	Total Remitted	<u>\$189,937</u>			
<b>Misc. &amp; Account Receivable</b>		<b>Current Month</b> \$189,937	<b>Fiscal YTD</b> \$224,944	<b>Prior FYTD</b> \$14,206	<b>Change</b> 1483.44%

**TOTAL**

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$61,729,299	\$261,060,846	\$267,369,056	-2.36%
<b>Refunds</b>				
<b>Permit Refunds Including Interest</b>	\$6,148,164			
<b>Motor Fuel Individual/Corporate Credits</b>	<u>\$139,071</u>			
<b>Total Refunds and Credits</b>	\$6,287,235	\$21,839,413	\$18,826,372	16.00%
<b>Collections Less Permit Refunds and Credits</b>	\$55,442,063	\$239,221,432	\$248,542,684	-3.75%

**Iowa Department of Revenue**  
**Fuel Tax Monthly Report**  
**For Gallons Reported on Returns Filed in October 2016**

**MOTOR FUEL GALLONS SUMMARY**

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	56,820,013	245,695,005	840,911	168,458	303,524,387
Exported Gallons	5,936,621	144,052,723	272,199	0	150,261,543
Distribution Allowance	812,314	1,585,294	5,735	1,681	2,405,024
Total Taxable Gallons	50,071,078	100,056,988	562,977	166,777	150,857,820
Remitted	\$14,741,056	\$27,796,431	\$156,339	\$12,776	\$42,706,602

**SPECIAL FUEL GALLONS SUMMARY**

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	3,398,465	66,030,010	14,284,152	83,712,627
Exported Gallons	326,833	10,817,574	8,968,702	20,113,109
Distribution Allowance	11,345	382,380	8,143	401,868
Total Taxable Gallons	3,060,287	54,830,056	5,307,307	63,197,650
Remitted	\$146,530	\$17,095,627	\$1,499,311	\$18,741,468

**LPG, LNG, & CNG GALLONS SUMMARY**

	LPG	LNG	CNG
Total Taxable Gallons	87,514	0	229,930
Remitted	\$16,914	\$0	\$74,378

**REFUND SUMMARY****DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
20	Agricultural	3,006	1,741	0	0	4,747
1	Federal Government	1,008	411	78	0	1,498
17	State Government	137,958	58,844	0	0	196,801
178	Other Political	230,431	61,092	540	0	292,063
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	483	4,161	0	0	4,644
0	Commercial Fisherman	0	0	0	0	0
0	Home Heating	0	0	0	0	0
3	Extract of Nat'l Deposits	715	1,268	0	0	1,982
36	Denaturing Alcohol	1,792,536	0	0	0	1,792,536
76	Commercial	85,770	359,489	0	8	445,268
0	Refund Agent	0	0	0	0	0
13	Transport Diversions	2,331,942	16,708	0	0	2,348,651
0	Casualty Losses	0	0	0	0	0
2	Special Fuel Blending	0	17,327	0	0	17,327
22	Excess Tax on Blended Fuel	441,385	601,263	0	0	1,042,648
<b>369</b>	<b>TOTALS</b>	<b>\$5,025,234</b>	<b>\$1,122,304</b>	<b>\$618</b>	<b>\$8</b>	<b>\$6,148,164</b>

**GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX**

**Sales Tax**      \$136,468