



Iowa Department of **REVENUE**

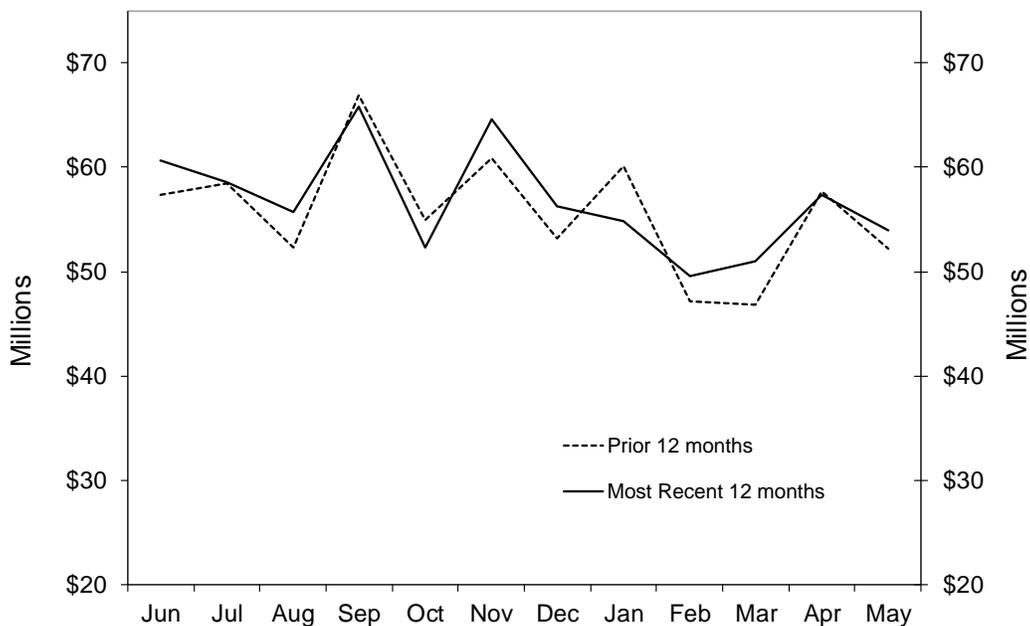
Fuel Tax Monthly Report for May 2019

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 May 2019 collections were \$53.9 million, 3.2 percent higher than May of last year. Year-over-year, motor fuel net collections increased by 1.8 percent and collections on diesel increased by 5.4 percent. Monthly collections were higher than prior year numbers in eight 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 May 2019, taxable gallons of motor fuel were 3.1 percent higher than in the previous May; taxable gallons of diesel were higher by 6.6 percent.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for May 2019**



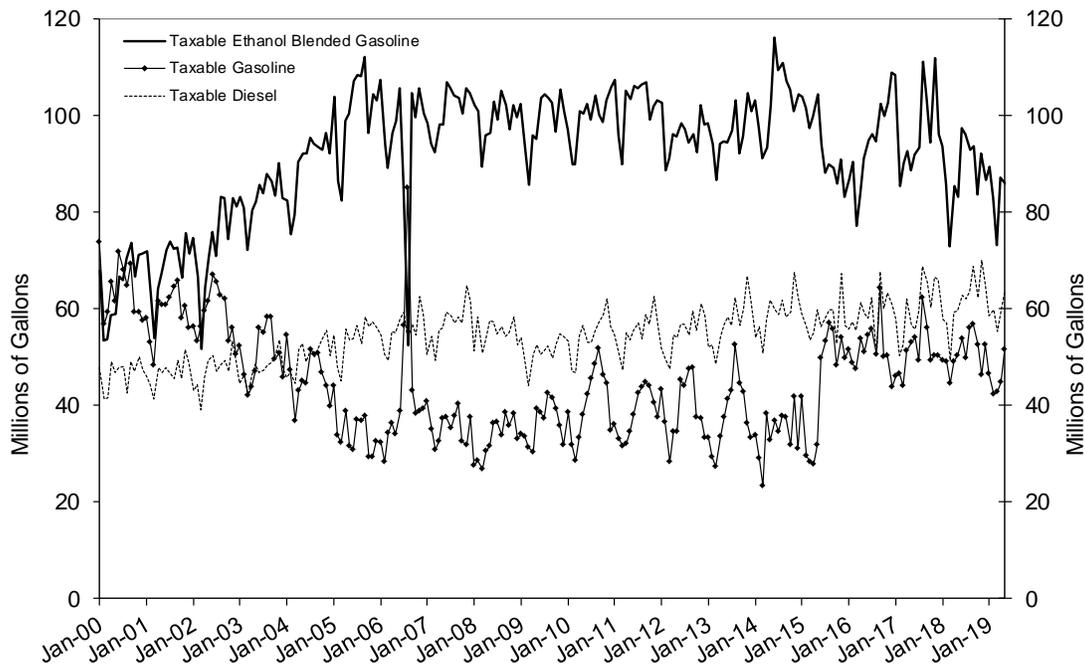
Source: Iowa Department of Revenue

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 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.

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 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. For the period since June 2015, the monthly average percentage of taxable gallons reported as ethanol blended gasoline is 64 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 May 2019, gallons of ethanol blended gasoline represented 62.6 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – May 2019



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 May 2019

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$15,169,386	\$23,938,208	\$224,393	\$8,639
Collections	Total Remitted	\$39,340,627			
Permit Refunds	Total Refunded	<u>\$3,501,599</u>			
Collections Less Permit Refunds		Current Month \$35,839,028	Fiscal YTD \$412,698,804	Prior FYTD \$410,375,879	Change 0.57%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$170,504	\$17,299,095	\$2,274,280
Collections	Total Remitted	\$19,743,879			
Permit Refunds	Total Refunded	<u>\$1,127,947</u>			
Collections Less Permit Refunds		Current Month \$18,615,932	Fiscal YTD \$209,991,059	Prior FYTD \$201,400,990	Change 4.27%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$19,764	\$0	\$82,870
Collections	Total Remitted	\$102,634			
Permit Refunds	Total Refunded	<u>\$3,191</u>			
Collections Less Permit Refunds		Current Month \$99,443	Fiscal YTD \$963,580	Prior FYTD \$1,159,676	Change -16.91%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable	
			\$0	\$5,648
Collections	Total Remitted	<u>\$5,648</u>		
Misc. & Account Receivable		Current Month \$5,648	Fiscal YTD \$208,533	Prior FYTD \$1,729,001 -87.94%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$59,192,788	\$673,994,590	\$687,324,225	-1.94%
Refunds				
Permit Refunds Including Interest	\$4,632,743			
Motor Fuel Individual/Corporate Credits	<u>\$636,324</u>			
Total Refunds and Credits	\$5,269,067	\$53,901,730	\$76,616,507	-29.65%
Collections Less Permit Refunds and Credits	\$53,923,721	\$620,092,860	\$610,707,718	1.54%

**Iowa Department of Revenue
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For Gallons Reported on Returns Filed in May 2019**

MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	58,766,989	270,920,917	1,169,036	117,077	330,974,019
Exported Gallons	6,470,919	183,567,054	353,021	3,159	190,394,153
Distribution Allowance	833,670	1,387,585	10,101	1,416	2,232,772
Total Taxable Gallons	51,462,400	85,966,278	805,914	112,502	138,347,094
Remitted	\$15,169,386	\$23,938,208	\$224,393	\$8,639	\$39,340,627

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	5,012,122	72,445,878	23,462,744	100,920,744
Exported Gallons	1,436,771	16,623,600	15,401,656	33,462,027
Distribution Allowance	23,721	385,571	31,647	440,939
Total Taxable Gallons	3,551,630	55,436,707	8,029,441	67,017,778
Remitted	\$170,504	\$17,299,095	\$2,274,280	\$19,743,879

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	43,736	0	267,320
Remitted	\$19,764	\$0	\$82,870

REFUND SUMMARY

		DOLLARS				
Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
20	Agricultural	4,058	22,176	0	0	26,234
1	Federal Government	953	400	3	0	1,357
10	State Government	273,225	230,032	0	0	503,258
128	Other Political	248,837	51,742	2,532	0	303,111
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
37	Denaturing Alcohol	2,510,078	0	0	0	2,510,078
102	Commercial	66,969	313,094	656	6	380,724
0	Refund Agent	0	0	0	0	0
7	Transport Diversions	53,430	69,705	0	0	123,135
0	Casualty Losses	0	0	0	0	0
1	Special Fuel Blending	0	1,013	0	0	1,013
17	Excess Tax on Blended Fuel	344,050	439,784	0	0	783,834
323	TOTALS	\$3,501,599	\$1,127,947	\$3,191	\$6	\$4,632,743

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$153,875