



Iowa Department of REVENUE

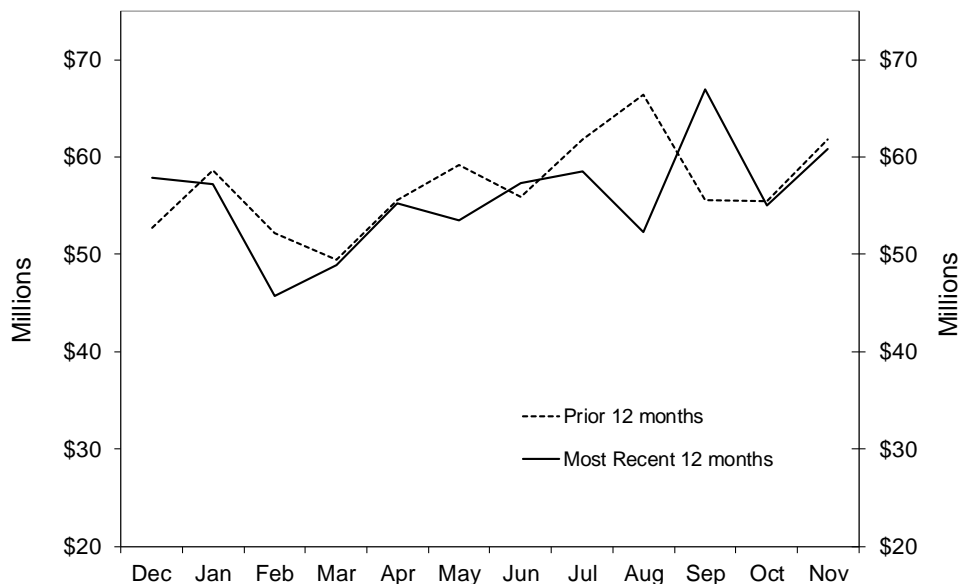
Fuel Tax Monthly Report for November 2017

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. In November 2017 collections were \$60.8 million, slightly below November of last year, reflecting year-over-year decreases in both diesel and motor fuel collections, where the tax rate on gasoline is \$0.002 lower this year. Monthly collections were higher than prior year numbers in three of the last twelve months. However, the number of taxable gallons may be reported in a month other than that for which taxes are remitted; monthly net collections do not necessarily reflect the number of taxable gallons sold in the month. Taxable gallons of both diesel and motor fuel increased this November compared to last November.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for November 2017**



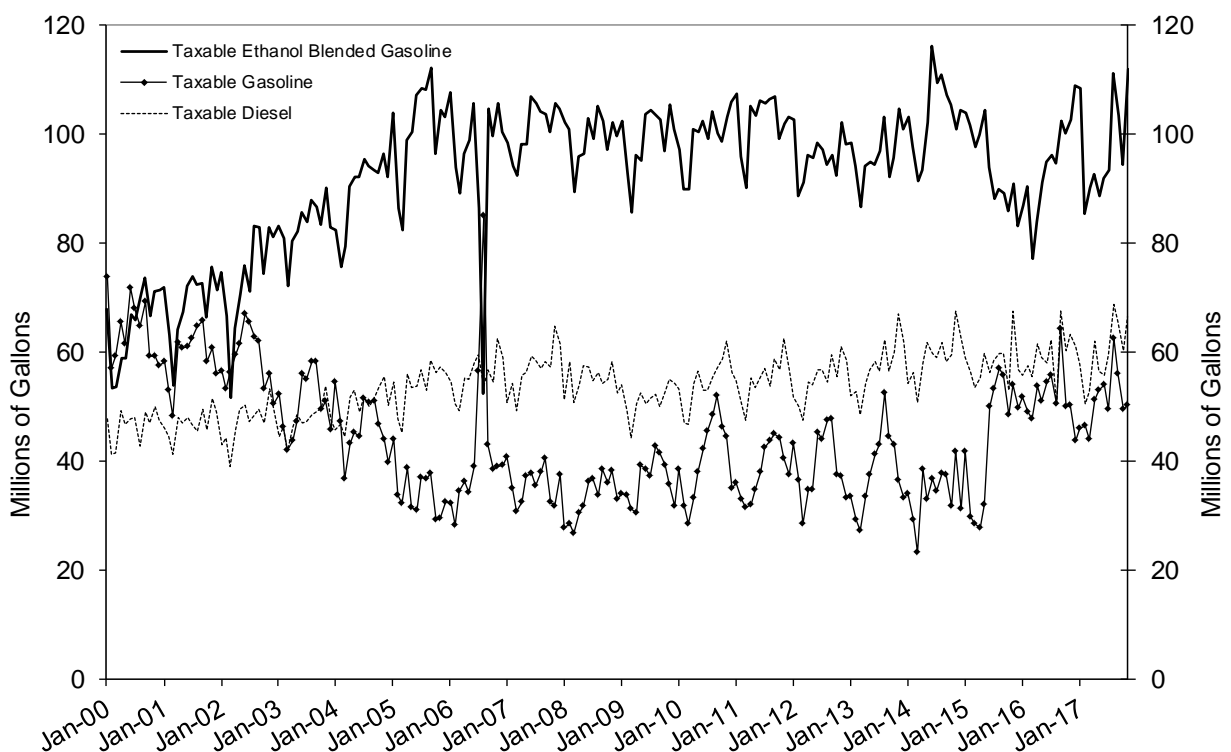
Source: Iowa Department of Revenue

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 65 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 November 2017, gallons of ethanol blended gasoline represented 69.0 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – November 2017



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 30.5 cents per gallon and collects tax on the resulting ethanol blended gasoline at 29.0 cents per gallon. Therefore, the additional 1.5 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 30.5 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. The high value of denaturing refunds reflects claims by one supplier for over a year of activity.

**Iowa Department of Revenue
Fuel Tax Monthly Report
For Gallons Reported on Returns Filed in November 2017**

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$14,859,190	\$31,448,273	\$185,933	\$9,470
Collections	Total Remitted	\$46,502,867			
Permit Refunds	Total Refunded	<u>\$5,396,046</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$41,106,821	\$197,331,040	\$207,187,970	-4.76%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$152,129	\$18,622,596	\$2,127,866
Collections	Total Remitted	\$20,902,590			
Permit Refunds	Total Refunded	<u>\$1,160,917</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$19,741,673	\$95,992,772	\$93,959,191	2.16%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$18,443	\$0	\$71,269
Collections	Total Remitted	\$89,713			
Permit Refunds	Total Refunded	<u>\$55</u>			
Collections Less Permit Refunds		Current Month	Fiscal YTD	Prior FYTD	Change
		\$89,657	\$415,143	\$388,820	6.77%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable		
			\$0	\$37,162	
Collections	Total Remitted	<u>\$37,162</u>			
Misc. & Account Receivable		Current Month	Fiscal YTD	Prior FYTD	Change
		\$37,162	\$895,367	\$230,597	288.28%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$67,532,332	\$332,628,893	\$329,628,169	0.91%
Refunds				
Permit Refunds Including Interest	\$6,558,135			
Motor Fuel Individual/Corporate Credits	<u>\$143,008</u>			
Total Refunds and Credits	\$6,701,143	\$39,116,898	\$28,585,088	36.84%
Collections Less Permit Refunds and Credits	\$60,831,188	\$293,511,994	\$301,043,081	-2.50%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	56,207,445	297,133,024	919,523	135,010	354,395,002
Exported Gallons	5,227,159	183,655,612	250,120	11,398	189,144,289
Distribution Allowance	815,101	1,608,338	7,394	1,377	2,432,210
Total Taxable Gallons	50,165,185	111,869,074	662,009	122,235	162,818,503
Remitted	\$14,859,190	\$31,448,273	\$185,933	\$9,470	\$46,502,867

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	3,965,023	73,668,138	17,310,020	94,943,181
Exported Gallons	811,631	14,253,268	9,845,884	24,910,783
Distribution Allowance	11,900	411,784	16,564	440,248
Total Taxable Gallons	3,141,492	59,003,086	7,447,572	69,592,150
Remitted	\$152,129	\$18,622,596	\$2,127,866	\$20,902,590

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	68,798	0	229,901
Remitted	\$18,443	\$0	\$71,269

REFUND SUMMARY

		DOLLARS				
Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
15	Agricultural	1,227	9,811	0	0	11,038
5	Federal Government	7,417	17,603	55	0	25,075
13	State Government	111,734	55,493	0	0	167,227
141	Other Political	206,686	71,164	0	0	277,850
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
38	Denaturing Alcohol	2,500,679	0	0	1,117	2,501,797
133	Commercial	164,162	777,173	0	0	941,334
0	Refund Agent	0	0	0	0	0
13	Transport Diversions	2,361,455	10,907	0	0	2,372,362
0	Casualty Losses	0	0	0	0	0
2	Special Fuel Blending	1,007	3,609	0	0	4,616
10	Excess Tax on Blended Fuel	41,679	215,158	0	0	256,837
370	TOTALS	\$5,396,046	\$1,160,917	\$55	\$1,117	\$6,558,135

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$344,880