

# Iowa Department of **REVENUE**

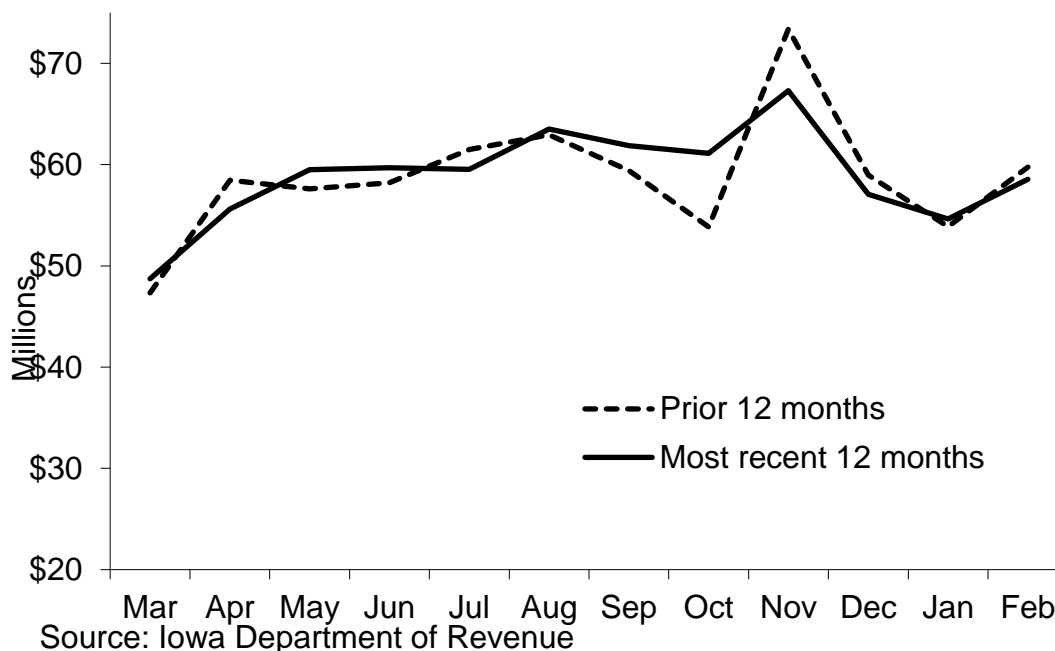
## Fuel Tax Monthly Report for February 2023

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 February 2023, collections were \$58.5 million, 2 percent lower than February of last year. Year-over-year motor fuel net collections decreased by 1.5 percent and collections on diesel decreased by 3 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 2023, taxable gallons of motor fuel were 8.2 percent lower than in the previous February; taxable gallons of diesel were 4.4 percent lower 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 2023**



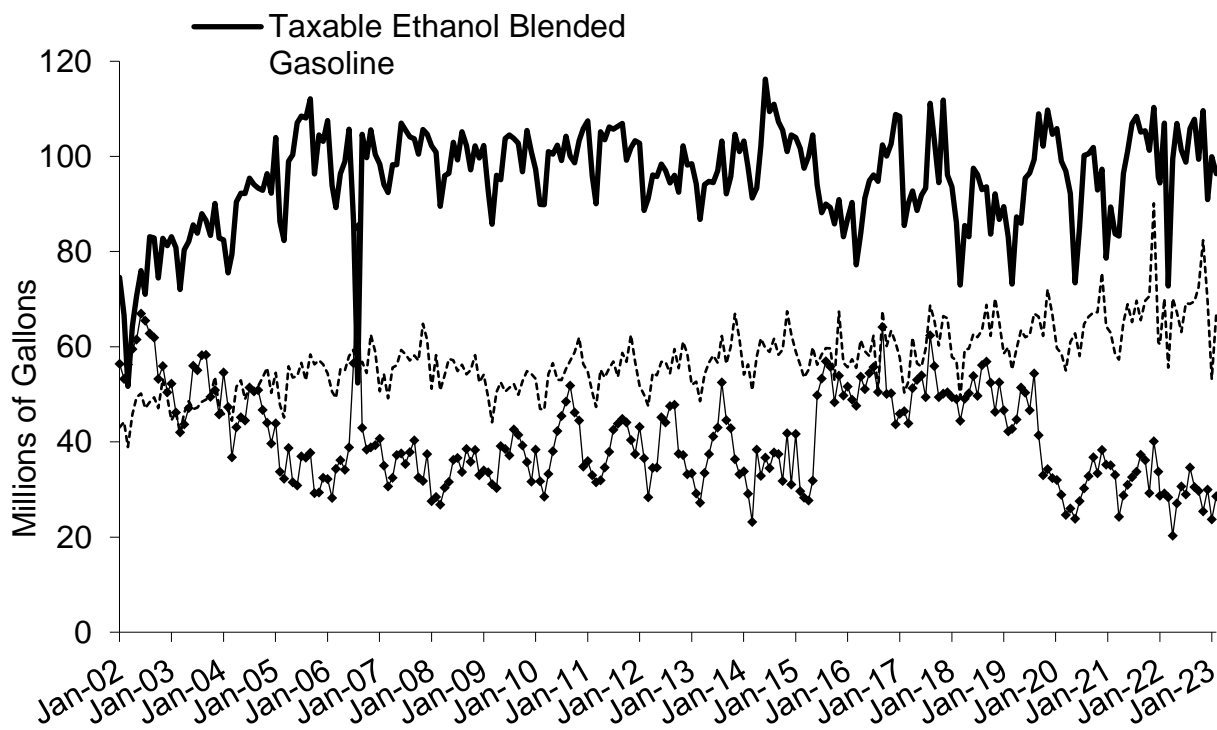
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the case for most E15 or Higher (gasoline blended with 15 percent of ethanol or higher percentages)

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 2002, 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 69.7 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 2023, gallons of ethanol blended gasoline represented 77.1 percent of motor fuel taxable gallons.

**Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2002 – February 2023**



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 24.0 cents per gallon. Therefore, the additional 6.0 cents paid on the gasoline is eligible for refund; similarly for the 2.4 cent gap between taxes on diesel and B11 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 2023**

**MOTOR FUEL**

Detailed Collections	Gasoline	E10 to E14	E15 or Higher	Aviation Gasoline
	\$8,708,925	\$28,737,471	\$2,616,394	\$6,858
<b>Collections</b>	Total Remitted	\$40,069,648		
<b>Permit Refunds</b>	Total Refunded	<u>\$2,501,886</u>		
		<b>Current Month</b>	<b>Fiscal YTD</b>	<b>Prior FYTD</b>
<b>Collections Less Permit Refunds</b>		\$37,567,762	\$308,059,217	\$314,422,716
				<b>Change</b>
				-2.02%

**SPECIAL FUEL**

Detailed Collections	Aviation Jet	Diesel	B11 or Higher
	\$167,149	\$19,580,035	\$1,639,379
<b>Collections</b>	Total Remitted	\$21,386,563	
<b>Permit Refunds</b>	Total Refunded	<u>\$404,882</u>	
		<b>Current Month</b>	<b>Fiscal YTD</b>
<b>Collections Less Permit Refunds</b>		\$20,981,681	\$176,110,911
			\$169,829,836
			<b>Change</b>
			3.70%

**LPG, LNG, & CNG**

Detailed Collections	LPG	LNG	CNG
	\$11,189	\$0	\$58,200
<b>Collections</b>	Total Remitted	\$69,389	
<b>Permit Refunds</b>	Total Refunded	<u>\$77</u>	
		<b>Current Month</b>	<b>Fiscal YTD</b>
<b>Collections Less Permit Refunds</b>		\$69,312	\$459,581
			\$594,589
			<b>Change</b>
			-22.71%

**MISC. & ACCOUNTS RECEIVABLE**

Detailed Collections	Miscellaneous	Accounts Receivable
	\$0	\$0
<b>Collections</b>	Total Remitted	<u>\$0</u>
		<b>Current Month</b>
<b>Misc. &amp; Account Receivable</b>		\$0
		<b>Fiscal YTD</b>
		\$0
		<b>Prior FYTD</b>
		\$61,769
		<b>Change</b>
		-100.00%

**TOTAL**

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$61,525,600	\$511,285,143	\$518,043,466	-1.30%
<b>Refunds</b>				
<b>Permit Refunds Including Interest</b>	\$2,906,874			
<b>Motor Fuel Individual/Corporate Credits</b>	<u>\$75,399</u>			
<b>Total Refunds and Credits</b>	\$2,982,273	\$27,713,826	\$34,374,081	-19.38%
<b>Collections Less Permit Refunds and Credits</b>	\$58,543,326	\$483,571,316	\$483,669,385	-0.02%

**Iowa Department of Revenue**  
**Fuel Tax Monthly Report**  
**For Gallons Reported on Returns Filed in February 2023**

**MOTOR FUEL GALLONS SUMMARY**

	Gasoline	E10 to E14	E15 or Higher	Aviation Gas	Motor Fuel Total
Gross Gallons Received	35,252,300	200,205,303	11,873,505	78,213	247,409,321
Exported Gallons	6,195,028	102,243,502	797,459	2,450	109,238,439
Distribution Allowance	463,904	1,557,605	174,964	543	2,197,016
Gallon Deduction for Reduced Tax Rate Sales	0	0	0	0	0
Total Taxable Gallons	28,593,368	96,404,196	10,901,082	75,220	135,973,866
Remitted	\$8,708,925	\$28,737,471	\$2,616,394	\$6,858	\$40,069,648

**SPECIAL FUEL GALLONS SUMMARY**

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,609,208	77,575,251	14,791,791	96,976,250
Exported Gallons	1,277,855	14,579,603	9,180,433	25,037,891
Distribution Allowance	22,576	438,342	9,051	469,969
Gallon Deduction for Reduced Tax Rate Sales	0	1,153,653	0	1,153,653
Total Taxable Gallons	3,308,777	61,403,653	5,602,307	70,314,737
Remitted	\$167,149	\$19,580,035	\$1,639,379	\$21,386,563

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

	LPG	LNG	CNG
Total Taxable Gallons	48,018	0	230,552
Remitted	\$11,189	\$0	\$58,200

**REFUND SUMMARY****DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
3	Agricultural	205	1,672	0	0	1,877
2	Federal Government	1,367	225	0	0	1,592
7	State Government	7,038	0	0	0	7,038
88	Other Political	140,842	24,881	77	0	165,801
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	2,103,085	0	0	0	2,103,085
66	Commercial	56,090	145,313	0	30	201,433
0	Refund Agent	0	0	0	0	0
11	Transport Diversions	8,696	72,504	0	0	81,201
1	Casualty Losses	587	0	0	0	587
0	Special Fuel Blending	0	0	0	0	0
25	Excess Tax on Blended Fuel	183,974	160,286	0	0	344,260
241	<b>TOTALS</b>	\$2,501,886	\$404,882	\$77	\$30	\$2,906,874

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

**Sales Tax**      \$84,591