



# Iowa Department of **REVENUE**

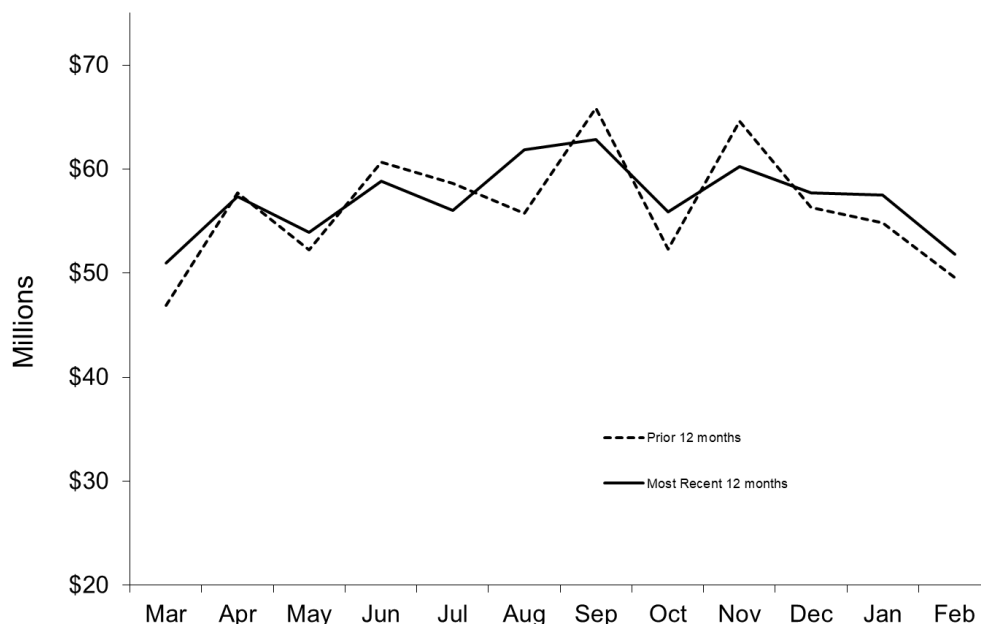
## Fuel Tax Monthly Report for February 2020

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 2020 collections were \$51.8 million, 4.4 percent higher than February of last year. Year-over-year, motor fuel net collections increased by 5.2 percent and collections on diesel increased by 4.3 percent. Monthly collections were higher than prior year numbers in seven 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 2020, taxable gallons of motor fuel were 2.1 percent higher than in the previous February; taxable gallons of diesel were lower by 2.2 percent 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 2020**



Source: Iowa Department of Revenue

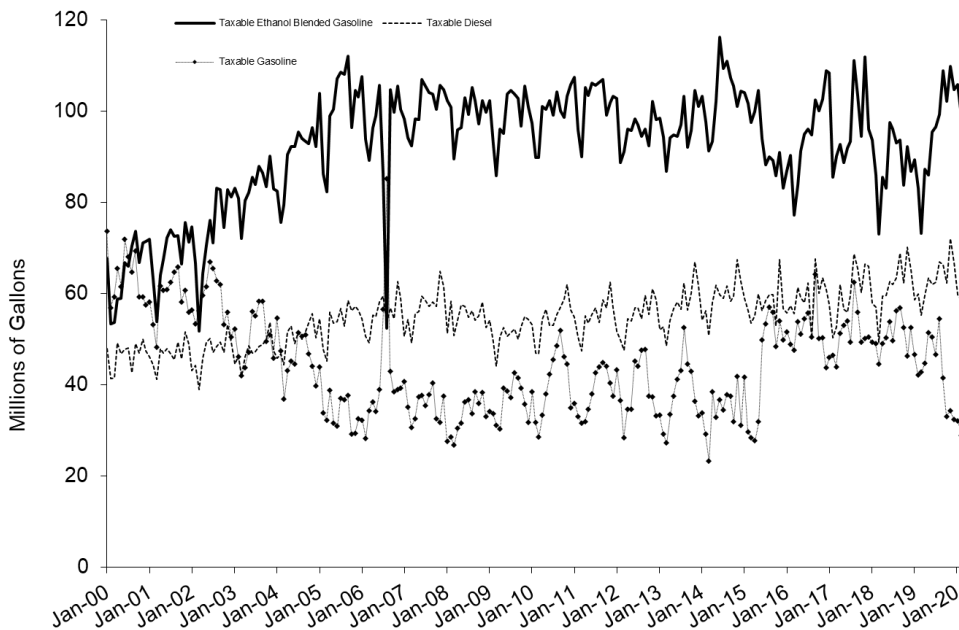
Collections and gallon amounts contained in this report are from the Supplier/Terminal or "Rack" level, not the retail level. Further blending of products may occur along the fuel distribution chain. This is the

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 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 65.6 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 2020, gallons of ethanol blended gasoline represented 77.4 percent of motor fuel taxable gallons.

**Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – February 2020**



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 February 2020**

**MOTOR FUEL**

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
	\$8,818,694	\$28,696,647	\$242,372	\$7,402	
Collections	Total Remitted	\$37,765,114			
Permit Refunds	Total Refunded	<u>\$3,604,281</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$34,160,833	<b>Fiscal YTD</b> \$307,064,258	<b>Prior FYTD</b> \$304,752,264	<b>Change</b> 0.76%

**SPECIAL FUEL**

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
		\$156,563	\$17,640,545	\$1,261,182	
Collections	Total Remitted	\$19,058,290			
Permit Refunds	Total Refunded	<u>\$1,206,857</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$17,851,432	<b>Fiscal YTD</b> \$155,127,221	<b>Prior FYTD</b> \$153,470,445	<b>Change</b> 1.08%

**LPG, LNG, & CNG**

Detailed Collections		LPG	LNG	CNG	
		\$5,105	\$0	\$65,988	
Collections	Total Remitted	\$71,093			
Permit Refunds	Total Refunded	<u>\$1,817</u>			
<b>Collections Less Permit Refunds</b>		<b>Current Month</b> \$69,276	<b>Fiscal YTD</b> \$586,350	<b>Prior FYTD</b> \$715,332	<b>Change</b> -18.03%

**MISC. & ACCOUNTS RECEIVABLE**

Detailed Collections		Miscellaneous	Accounts Receivable	
		\$0	\$4,126	
Collections	Total Remitted	<u>\$4,126</u>		
<b>Misc. &amp; Account Receivable</b>		<b>Current Month</b> \$4,126	<b>Fiscal YTD</b> \$2,390,764	<b>Prior FYTD</b> \$142,720 1575.14%

**TOTAL**

<b>Collections</b>		<b>Current Month</b> \$56,898,623	<b>Fiscal YTD</b> \$502,728,836	<b>Prior FYTD</b> \$496,652,290	<b>Change</b> 1.22%
<b>Refunds</b>					
<b>Permit Refunds Including Interest</b>		\$4,812,983			
<b>Motor Fuel Individual/Corporate Credits</b>		<u>\$302,095</u>			
<b>Total Refunds and Credits</b>		\$5,115,078	\$38,855,775	\$38,822,087	0.09%
<b>Collections Less Permit Refunds and Credits</b>		\$51,783,545	\$463,873,061	\$457,830,203	1.32%

**Iowa Department of Revenue**  
**Fuel Tax Monthly Report**  
**For Gallons Reported on Returns Filed in February 2020**

**MOTOR FUEL GALLONS SUMMARY**

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	34,071,182	247,672,940	1,116,578	110,010	282,970,710
Exported Gallons	4,686,941	147,107,953	268,729	16,680	152,080,303
Distribution Allowance	468,806	1,598,524	11,929	786	2,080,045
Total Taxable Gallons	28,915,435	98,966,463	835,920	92,544	128,810,362
Remitted	\$8,818,694	\$28,696,647	\$242,372	\$7,402	\$37,765,114

**SPECIAL FUEL GALLONS SUMMARY**

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	4,422,301	64,689,124	10,063,976	79,175,401
Exported Gallons	1,269,049	10,040,914	5,774,198	17,084,161
Distribution Allowance	21,463	379,617	13,870	414,950
Total Taxable Gallons	3,131,789	54,268,593	4,275,908	61,676,290
Remitted	\$156,563	\$17,640,545	\$1,261,182	\$19,058,290

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

	LPG	LNG	CNG
Total Taxable Gallons	42,637	0	242,897
Remitted	\$5,105	\$0	\$65,988

**REFUND SUMMARY**

Number of Claims	Permit Type	DOLLARS				Total
		Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	
21	Agricultural	7,265	42,546	0	0	49,811
3	Federal Government	3,986	926	24	0	4,937
24	State Government	236,478	9,081	0	0	245,559
192	Other Political	410,592	129,666	1,793	27	542,078
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
39	Denaturing Alcohol	2,223,981	0	0	0	2,223,981
112	Commercial	40,236	389,454	0	0	429,690
0	Refund Agent	0	0	0	0	0
12	Transport Diversions	184,980	32,936	0	0	217,916
0	Casualty Losses	0	0	0	0	0
1	Special Fuel Blending	0	883	0	0	883
21	Excess Tax on Blended Fuel	496,762	601,366	0	0	1,098,128
425	<b>TOTALS</b>	\$3,604,281	\$1,206,857	\$1,817	\$27	\$4,812,983

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

**Sales Tax**      \$225,841