

E15 Plus Gasoline Promotion Tax Credit

Tax Credit Description

A refundable income tax credit is available to retailers who sell blended gasoline that is classified as E15 or higher, but not classified as E85 gasoline. First available July 1, 2011, the tax credit equaled 3 cents per gallon. Beginning January 1, 2014, the tax credit is determined by multiplying the total number of eligible gallons sold between January 1 and May 31 or September 16 and December 31 by 3 cents, and gallons sold between June 1 and September 15 by 10 cents. The differential rate exists to encourage sales during summer months when the environmental regulations on E15 sales are more stringent. Effective January 1, 2023, the credit is 9 cents per gallon for the full calendar year. The tax credit expires December 31, 2025.

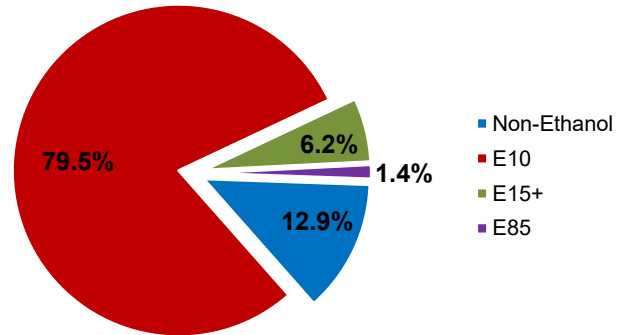
Motor Fuel Station Location Shares, CY 2021

184/11.2%
Stations with E15+

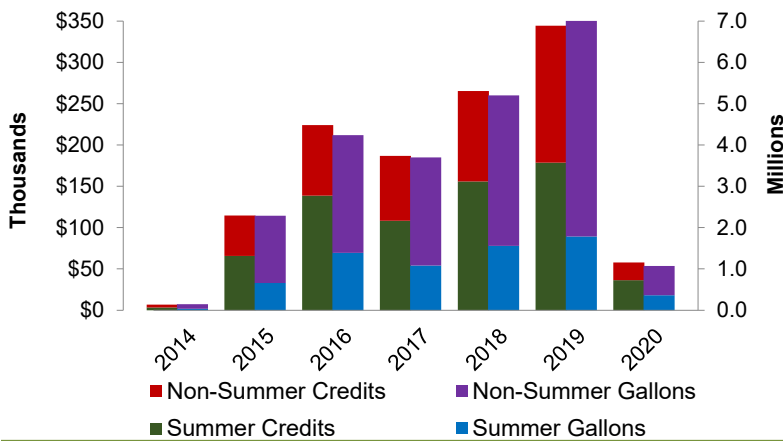
87.9 Million
Gallons of E15+
Sold



Share of Gasoline Gallons Sold, CY 2021



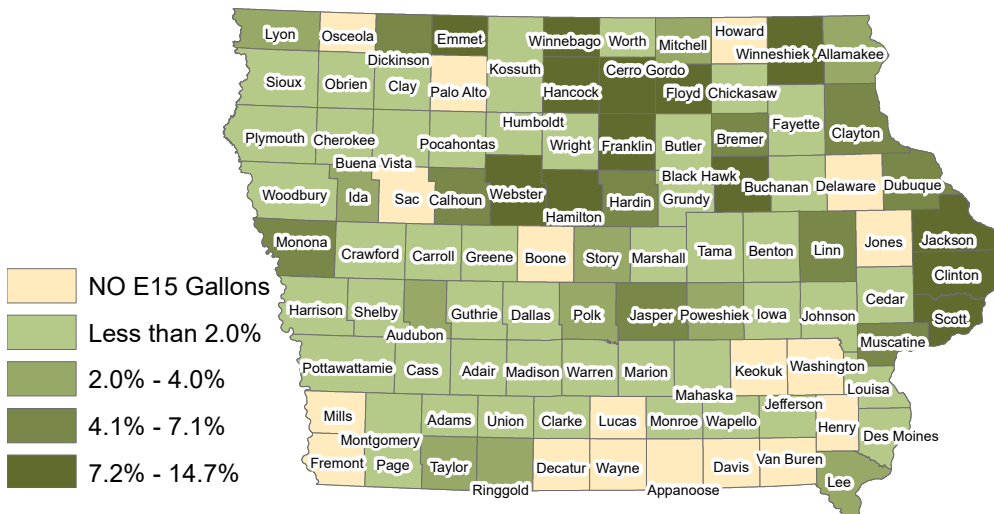
E15+ Gasoline Tax Credit Claims & Incentivized Gallons



Other Incentives for E15+ Gasoline

- Ethanol Promotion Tax Credit – A refundable income tax credit for pure ethanol sales where eligibility is based on a retailer’s biofuel distribution percentage, which is calculated as the ratio of pure ethanol gallons plus pure biodiesel gallons sold to total gasoline gallons sold.
- The Ethanol Promotion Tax Credit can be claimed for the same E15+ sales eligible for this tax credit.
- Reduced Fuel Excise Tax Rate – Gasoline blended with at least 10 percent ethanol is subject to an excise tax rate of 29 cents, 1.7 cents below the tax rate on all other gasoline.

Reported E15+ Shares by County CY 2021



Reported E15+ Sales Rankings by County

- #1 Gallons of E15+ - Scott (10.7 Million)
- #1 Average E15+ Gallons Sold Per Station - Dubuque (0.85 Million)
- #1 Share of E15+ - Hancock (17.2%)

Source: Iowa Department of Revenue, Retailers Motor Fuel Gallons Annual Report 2021