



Iowa Department of **REVENUE**

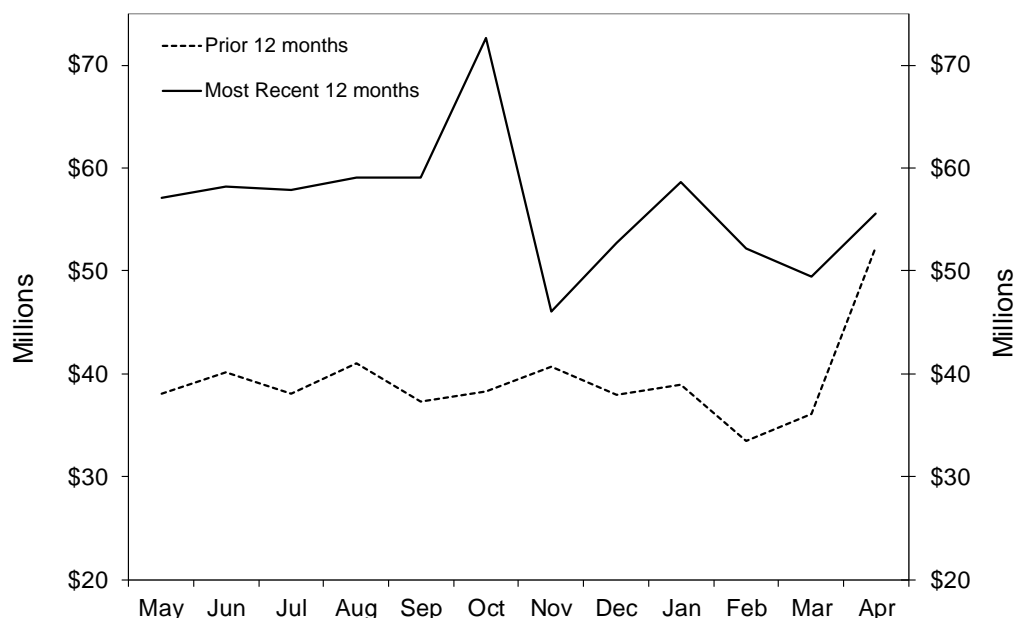
Fuel Tax Monthly Report for April 2016

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. For example, information for the tax period June 1 through June 30, which is reported to the Department of Revenue during the reporting period July 1 to July 31, is contained in the July Monthly Report.

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. Since April 2015, year-over-year growth in net collections has reflected tax rate increases that became effective in March 2015. These increases account for much of the difference between monthly net collections in each of the last eleven months as compared to a year prior. Because these higher tax rates were effective for collections in April 2015, the year-over-year difference in net collections as of April 2016 is primarily the result of increased consumption during the period. Net collections were \$55.6 million in April 2016, 6 percent higher than in April 2015.

**Figure 1. Iowa Monthly Fuel Tax Collections Less Refunds and Credits:
Most Recent 12 Months Compared to Prior 12 Months for April 2016**



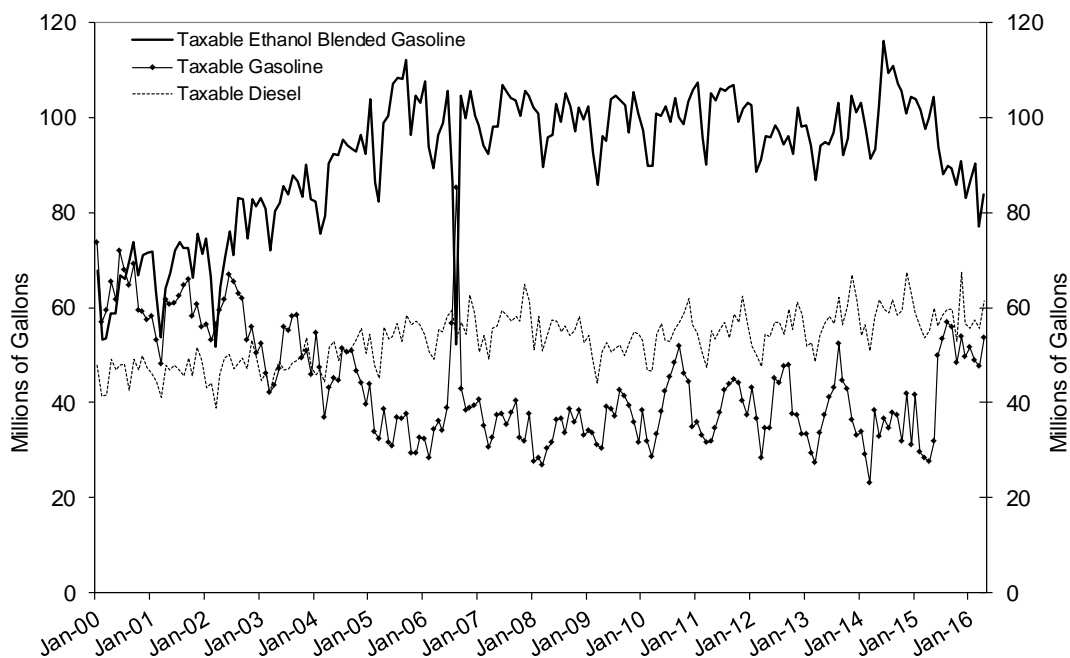
Source: Iowa Department of Revenue

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. Though infrequent, the number of taxable gallons may be reported in a month other than that for which taxes are remitted.

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 throughout 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.

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 in demand. Between 2005 and early 2015, ethanol blended gasoline accounted for a monthly average of 73 percent of taxable gallons of motor fuel. Since June 2015, the average percentage of taxable gallons reported as ethanol blended gasoline has fallen to 63 percent, reflecting a change in the manner in which the types of taxable gallons are reported by suppliers. Year-to-year comparisons of ethanol blended gasoline’s share of total taxable gallons should be made with attention to this limitation.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – April 2016



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 30.8 cents per gallon and collects tax on the resulting ethanol blended gasoline at 29.3 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 30.8 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 April 2016**

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$16,421,746	\$24,611,426	\$218,583	\$14,123
Collections	Total Remitted	\$41,265,878			
Permit Refunds	Total Refunded	<u>\$3,929,688</u>			
Collections Less Permit Refunds		Current Month \$37,336,190	Fiscal YTD \$382,380,469	Prior FYTD \$259,318,070	Change 47.46%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$160,641	\$19,082,036	\$698,030
Collections	Total Remitted	\$19,940,707			
Permit Refunds	Total Refunded	<u>\$1,026,530</u>			
Collections Less Permit Refunds		Current Month \$18,914,177	Fiscal YTD \$182,891,778	Prior FYTD \$136,552,729	Change 33.93%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$9,746	\$0	\$65,340
Collections	Total Remitted	\$75,086			
Permit Refunds	Total Refunded	<u>\$27,845</u>			
Collections Less Permit Refunds		Current Month \$47,242	Fiscal YTD \$719,839	Prior FYTD \$275,299	Change 161.48%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable	
			\$0	\$6,346
Collections	Total Remitted	<u>\$6,346</u>		
Misc. & Account Receivable		Current Month \$6,346	Fiscal YTD \$60,691	Prior FYTD \$331,105 -81.67%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$61,288,017	\$612,468,580	\$423,157,492	44.74%
Refunds				
Permit Refunds Including Interest	\$4,984,141			
Motor Fuel Individual/Corporate Credits	<u>\$695,605</u>			
Total Refunds and Credits	\$5,679,746	\$49,381,368	\$29,156,625	69.37%
Collections Less Permit Refunds and Credits	\$55,608,271	\$563,087,212	\$394,000,867	42.92%

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MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	61,811,079	262,165,301	965,240	177,682	325,119,302
Exported Gallons	7,188,446	177,053,704	216,194	0	184,458,344
Distribution Allowance	871,790	1,327,308	5,791	1,785	2,206,674
Total Taxable Gallons	53,750,843	83,784,289	743,255	175,897	138,454,284
Remitted	\$16,421,746	\$24,611,426	\$218,583	\$14,123	\$41,265,878

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	3,805,839	71,047,468	12,063,788	86,917,095
Exported Gallons	583,073	11,599,558	9,704,549	21,887,180
Distribution Allowance	21,855	412,890	1,815	436,560
Total Taxable Gallons	3,200,911	59,035,020	2,357,424	64,593,355
Remitted	\$160,641	\$19,082,036	\$698,030	\$19,940,707

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	107,577	0	210,775
Remitted	\$9,746	\$0	\$65,340

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
15	Agricultural	1,177	14,518	0	0	15,695
10	Federal Government	74,853	101,670	0	0	176,523
13	State Government	320,020	15,265	17	0	335,301
220	Other Political	241,015	69,498	1,024	79	311,616
0	Urban Transit	0	0	0	0	0
0	Regional Transit	0	0	0	0	0
1	Native American	4,859	377	0	0	5,236
0	Contract Carrier	0	0	0	0	0
0	Commercial Fisherman	0	0	0	0	0
0	Home Heating	0	0	0	0	0
1	Extract of Nat'l Deposits	0	27,559	0	0	27,559
42	Denaturing Alcohol	2,565,421	0	0	0	2,565,421
97	Commercial	46,590	300,923	26,804	0	374,317
0	Refund Agent	0	0	0	0	0
12	Transport Diversions	316,914	93,434	0	0	410,348
1	Casualty Losses	726	0	0	0	726
0	Special Fuel Blending	0	0	0	0	0
13	Excess Tax on Blended Fuel	358,112	403,287	0	0	761,399
425	TOTALS	\$3,929,688	\$1,026,530	\$27,845	\$79	\$4,984,141

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$178,751