



Iowa Department of **REVENUE**

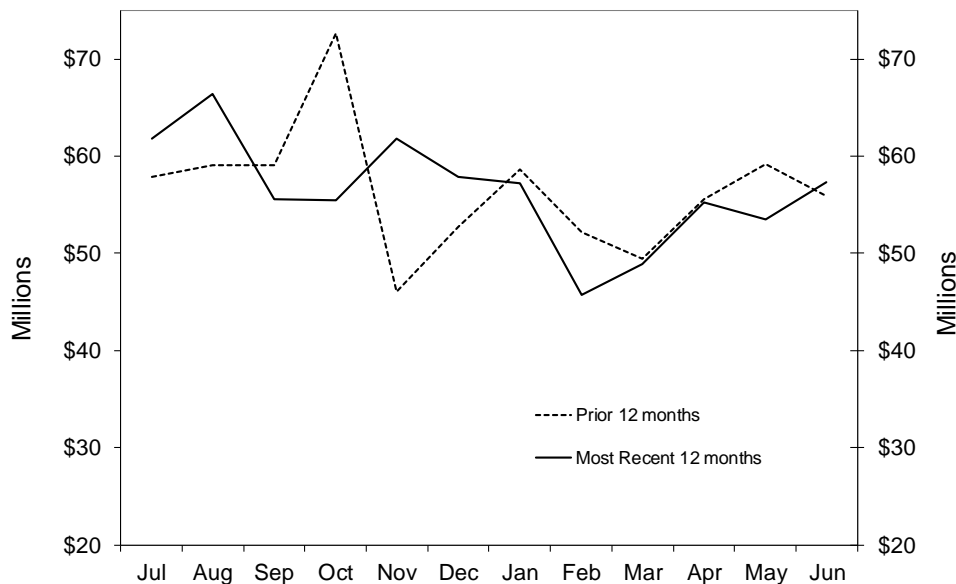
Fuel Tax Monthly Report for June 2017

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 June 2017 collections were \$57.3 million, a 2.7 percent increase from June of last year. Monthly collections were higher than prior year numbers in five of the last twelve months. Note that 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.

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



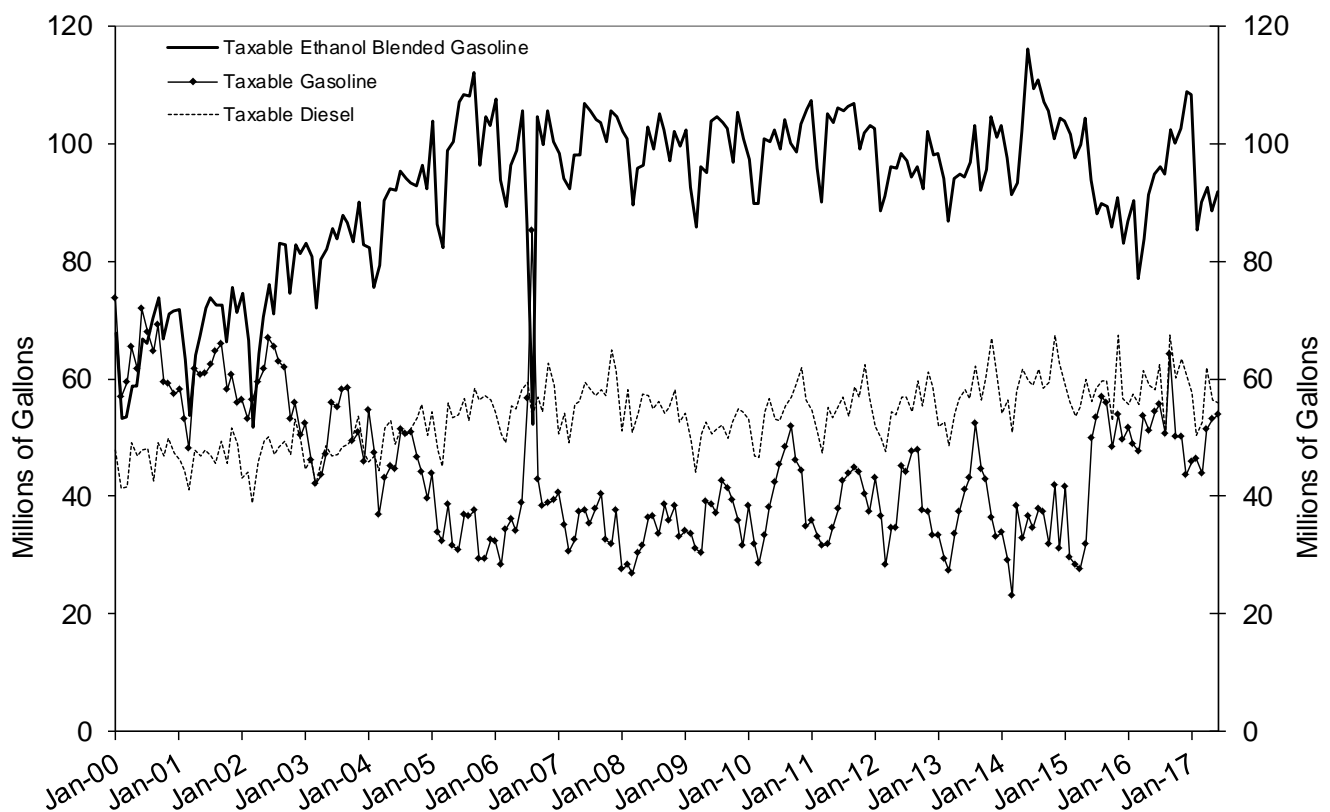
Source: Iowa Department of Revenue

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. Beginning June 2015, the average percentage of taxable gallons reported as ethanol blended gasoline fell to 64 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 June 2017, gallons of ethanol blended gasoline represented 63 percent of motor fuel taxable gallons.

Figure 2. Iowa Monthly Taxable Ethanol Blended Gasoline, Gasoline, and Diesel Gallons: January 2000 – June 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 30.7 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 June 2017**

MOTOR FUEL

Detailed Collections	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gasoline	
		\$16,834,695	\$27,033,441	\$219,356	\$10,517
Collections	Total Remitted	\$44,098,010			
Permit Refunds	Total Refunded	<u>\$4,132,256</u>			
Collections Less Permit Refunds		Current Month \$39,965,754	Fiscal YTD \$464,256,252	Prior FYTD \$462,208,062	Change 0.44%

SPECIAL FUEL

Detailed Collections		Aviation Jet	Diesel	B11 or Higher	
			\$259,219	\$16,364,038	\$1,884,313
Collections	Total Remitted	\$18,507,571			
Permit Refunds	Total Refunded	<u>\$920,564</u>			
Collections Less Permit Refunds		Current Month \$17,587,007	Fiscal YTD \$215,464,719	Prior FYTD \$218,608,432	Change -1.44%

LPG, LNG, & CNG

Detailed Collections		LPG	LNG	CNG	
			\$15,651	\$0	\$67,348
Collections	Total Remitted	\$82,998			
Permit Refunds	Total Refunded	<u>\$16,561</u>			
Collections Less Permit Refunds		Current Month \$66,437	Fiscal YTD \$976,782	Prior FYTD \$928,560	Change 5.19%

MISC. & ACCOUNTS RECEIVABLE

Detailed Collections		Miscellaneous	Accounts Receivable	
			\$0	\$6,716
Collections	Total Remitted	<u>\$6,716</u>		
Misc. & Account Receivable		Current Month \$6,716	Fiscal YTD \$281,975	Prior FYTD \$115,419 144.31%

TOTAL

Collections	Current Month	Fiscal YTD	Prior FYTD	Change
	\$62,695,295	\$755,806,858	\$738,782,198	2.30%
Refunds				
Permit Refunds Including Interest	\$5,069,381			
Motor Fuel Individual/Corporate Credits	<u>\$281,563</u>			
Total Refunds and Credits	\$5,350,944	\$78,884,118	\$60,677,475	30.01%
Collections Less Permit Refunds and Credits	\$57,344,351	\$676,922,740	\$678,104,723	-0.17%

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For Gallons Reported on Returns Filed in June 2017**

MOTOR FUEL GALLONS SUMMARY

	Gasoline	Ethanol Blended Gasoline	E85	Aviation Gas	Motor Fuel Total
Gross Gallons Received	59,783,909	258,323,865	1,038,370	131,349	319,277,493
Exported Gallons	4,920,510	164,944,985	281,656	0	170,147,151
Distribution Allowance	877,030	1,487,922	9,010	1,386	2,375,348
Total Taxable Gallons	53,986,369	91,890,958	747,704	129,963	146,754,994
Remitted	\$16,834,695	\$27,033,441	\$219,356	\$10,517	\$44,098,010

SPECIAL FUEL GALLONS SUMMARY

	Aviation Jet	Diesel	B11 or Higher	Special Fuel Total
Gross Gallons Received	5,865,499	60,819,913	18,061,954	84,747,366
Exported Gallons	766,579	10,956,337	11,731,552	23,454,468
Distribution Allowance	12,208	345,797	16,453	374,458
Total Taxable Gallons	5,086,712	49,517,779	6,313,949	60,918,440
Remitted	\$259,219	\$16,364,038	\$1,884,313	\$18,507,571

LPG, LNG, & CNG GALLONS SUMMARY

	LPG	LNG	CNG
Total Taxable Gallons	67,131	0	219,310
Remitted	\$15,651	\$0	\$67,348

REFUND SUMMARY**DOLLARS**

Number of Claims	Permit Type	Motor Fuel	Special Fuel	LPG & CNG	Interest Paid	Total
15	Agricultural	2,089	11,728	0	0	13,818
4	Federal Government	3,897	826	122	0	4,846
6	State Government	15,048	307	0	0	15,355
92	Other Political	139,648	38,494	1,326	0	179,468
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
40	Denaturing Alcohol	1,836,848	0	0	0	1,836,848
93	Commercial	41,667	268,200	15,113	0	324,980
0	Refund Agent	0	0	0	0	0
8	Transport Diversions	1,641,464	52,619	0	0	1,694,083
0	Casualty Losses	0	0	0	0	0
4	Special Fuel Blending	0	5,560	0	0	5,560
17	Excess Tax on Blended Fuel	451,595	542,829	0	0	994,424
279	TOTALS	\$4,132,256	\$920,564	\$16,561	\$0	\$5,069,381

GALLONS USED IN A MANNER EXEMPT FROM FUEL TAX

Sales Tax \$129,256