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Director



**IOWA DEPARTMENT OF REVENUE**  
Hoover State Office Building Des Moines, Iowa 50319  
[www.state.ia.us/tax](http://www.state.ia.us/tax)

July 3, 2006

To Motor Fuel Supplier, Restrictive Supplier, Blender and Importer Licensees:

Iowa motor fuel tax returns will be required by statute to be filed electronically through the online eFile & Pay system starting with the June 2006 monthly return, which is due July 31, 2006. Importers will start with their June 30, 2006 semi-monthly return, which is due July 15, 2006.

The system will be accessible at [www.state.ia.us/tax](http://www.state.ia.us/tax) for motor fuel beginning July 6, 2006.

*We will also mail a letter containing your BEN (Business eFile Number) in the next week.* If the person responsible for filing withholding, sales or use tax returns with Iowa is someone other than the person who will file motor fuel tax returns, those individuals need to work together to get properly set up in our eFile & Pay system. One BEN covers multiple taxes.

The eFile & Pay system is only available for motor fuel online in the web version. No telephone option is available for motor fuel.

May 2006 returns are the last returns to be filed on paper.

Electronic payment of the tax due, which is already required, will switch to the new online eFile and Pay system for direct debit transactions. ACH Credit electronic payment will also be allowed.

The Schedule of Disbursement or Receipts attached to your paper returns are no longer required to be filed at this time if handling less than 100,000 gallons of fuel a month. Reason: Only persons with 100,000 gallons of fuel or more a month are required to file their schedules electronically. This 100,000 gallons threshold may be lowered in the future so if you would like to file your schedules electronically, please contact us. You must still maintain all supporting documentation in your office in case the department requests it.

Filing a motor fuel tax return on eFile & Pay:

- Returns are filed on a monthly or semi-monthly basis for importers even if there is no activity in Iowa for the month.
- Return and payment of the tax are due on or before the last day of the following month. Example: June 1 – June 30, 2006 period must be filed online by 4:00 pm Central time on July 31, 2006.

- Only Fields applicable for your license type, such as Gross Gallons will be displayed for editing/viewing purposes. Fields not applicable to your license type will not be displayed.
- Only report the fuel product types that you handle. Example: If you only have taxable diesel. Select the button for special fuel undyed only. If no activity, you must still select one fuel product type, select the product you are most likely to use in the future or if not sure, select gasoline and enter 0 in gross gallons.
- Gallons must be entered as whole gallons and no negative entries are allowed.
- The eFile system automatically calculates the tax due when you click on the CALCULATE button.
- Amended returns are filed on this eFile & Pay system. An entry box for payments made on original returns will be available.
- Help screens are available throughout the system.

Motor fuel tax rates remains the same for June 2006. Reminder: Iowa motor fuel tax rate, on gasoline only, rose on July 1, 2006 from the current 20.7 cents per gallon to 21 cents per gallon. All other fuel tax rates will remain the same.

New gasoline tax rate July 1, 2006	21 cents per gallon
Ethanol blended gasoline tax rate (No Change)	19 cents per gallon

History of all returns and payments made through eFile & Pay will be available on the eFile & Pay system.

Questions about motor fuel tax, contact 515-281-6447 or 515-242-6033.

Questions about using the eFile & Pay system, contact: [idrefile@iowa.gov](mailto:idrefile@iowa.gov) or call 515-281-8453 or 1-866-503-3453