



COMPTROLLER
of MARYLAND
Serving the People

Motor Fuel Tax And Motor Carrier Tax (IFTA) Annual Report

Fiscal Year 2020



Peter Franchot

Comptroller of Maryland



Peter Franchot
Comptroller

To Interested Members of the Motor Fuel and Motor Carrier Industries:

I am pleased to present the annual report for Motor Fuel Tax and Motor Carrier Tax "IFTA" for Fiscal Year 2020.

This report furnishes general information and data about the administration, collection and distribution of Motor Fuel Tax revenue and Motor Carrier Tax "IFTA" revenue.

If you need further information, please contact my staff at 410-260-7890 and we will be happy to help you.

Sincerely,

A handwritten signature in black ink that reads 'Peter Franchot'. The signature is written in a cursive, flowing style.

Comptroller of Maryland

Table of Contents

I.	Introduction	1-5
II.	Administration	
	Motor Fuel Tax and Motor Carrier Tax Regulation	6
	Maryland Motor Fuel Tax Rates	7
	Audits and Tax Administration	8
III.	Gallonage	
	Taxable Gallonage Sales	9
	Adjustments to Gross Gallonage	10
	Taxable Gallonage Summary	11
	Taxable Gallonage - FY 2019 and FY 2020	12
IV.	Aviation Fuel - Gallonage and Revenue	13
V.	Revenue	
	Motor Fuel Tax Gross Revenue	14
	Other Gross Revenue	15
	Other Revenue - Floor Tax	16
	“IFTA” Motor Carrier Tax Gross Revenue	17
	Other Gross Revenue - SUTE & CPI	18
	Motor Fuel Tax and Motor Carrier Tax “IFTA”	19
	Gross Revenue Summary - FY 2020	
VI.	Adjustments to Gross Revenue (Deductions)	20
VII.	Revenue Distribution	
	Motor Fuel Tax and Motor Carrier Tax “IFTA”	21
	Revenue and Distribution	
	Net Motor Fuel Tax Revenue and Distribution	22
VIII.	Historical Data and Statistics	
	Historical Gallonage Sales	23
	Historical Net Tax Revenue Summary	24
	Historical Distribution Summary	25
	History of Motor Fuel Tax Rates	26
	History of Motor Fuel Tax and Motor Carrier Tax	27

Introduction

The Revenue Administration Division of the Comptroller of Maryland is responsible for collecting the motor fuel tax and motor carrier tax, and the Field Enforcement Division is responsible for regulation and enforcement of the State's motor fuel tax and motor carrier tax laws.

This annual report provides data and statistics about the tax collection function of the Revenue Administration Division and the regulatory function of the Field Enforcement Division. All information in this report, including but not limited to revenue, permits, and other regulatory activities are for fiscal year 2020: July 1, 2019 through June 30, 2020.

Taxes

For fiscal year 2020, the Motor Fuel Tax rate increased on July 1, 2019 for each gallon of the following: gasoline other than aviation gasoline, special fuel other than clean-burning fuel or turbine fuel, and gasoline-equivalent of clean-burning fuel except electricity. Tax-General Article, § 9-305 establishes the motor fuel tax rate.

In general, after paying refunds, administrative costs of the Comptroller, transfers to the Waterway Improvement Fund, and a certain percentage to the Chesapeake Bay 2010 Trust Fund, motor fuel taxes are distributed to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund. Further details are in this report about motor fuel tax revenue distribution.

The Maryland Motor Carrier Tax is imposed at the same rate as the motor fuel tax rate for each type of motor fuel used. It is a fuel use tax on motor carriers who travel on Maryland highways. Motor carrier tax revenue and fees collected under Title 9 of the Tax-

General Article are distributed to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund.

Revenue

Total gross revenue from motor fuel tax and motor carrier taxes, motor carrier temporary permit fees, and other revenue for fiscal year 2020 was \$1,122,485,049. Compared to fiscal year 2019, fiscal year 2020 tax revenues indicate the following changes 6.0% decrease in gasoline taxes; a 0.3% decrease in special fuel taxes; a 10.4 % decrease in aviation fuel taxes; a 4.0% increase in motor carrier taxes for Maryland-based commercial vehicles; a 1.2% increase in motor carrier taxes collected for commercial vehicles based in other jurisdictions, and a 1.2% increase in motor carrier temporary permit fees. There was an overall decrease of 5.0% in gross motor fuel tax and motor carrier tax revenues.

There are no fees for motor fuel licenses or registrations, or for IFTA licenses.

Taxation and Regulation

Motor Fuel

The Maryland motor fuel tax is an excise tax on motor fuel purchased for the purpose of propelling a motor vehicle or turbine-powered aircraft. Motor fuel is defined as gasoline or special fuel. Gasoline is a product used as fuel in a spark ignited internal combustion engine. The Comptroller may designate a product as gasoline, such as ethanol.

Special fuel is a product usable as fuel in an internal combustion engine, such as diesel fuel, and it also includes clean-burning fuel used for motor vehicle propulsion, such as natural gas, hydrogen, or a fuel that contains at least 85% ethanol.

Aviation fuel is defined as aviation gasoline, or turbine fuel (jet fuel).

The definition of motor fuel is important as it determines the motor fuel tax rate, what type of license is required, and whether or not an exemption certificate may be issued.

Other than the exemptions listed in § 9-303 and § 9-304 of the Tax-General Article, a tax is imposed on motor fuel. The rules governing when the motor fuel tax is imposed are different for gasoline and special fuel. Gasoline is subject to the motor fuel tax, unless a nontaxable use can be claimed for a refund under the particular exceptions in Tax-General Article § 13-901 related to certain public, governmental, and commercial purposes. In contrast, special fuel may not be subject to tax if the purchaser has an exemption certificate. Exemption certificates are not issued for gasoline.

Pursuant to Tax-General Article, § 9-314(a), the motor fuel tax on gasoline is paid by either: (1) the licensed Class B dealer who first receives gasoline imported into Maryland; (2) any other dealer who uses the gasoline, or first sells the gasoline in Maryland to a buyer

other than a licensed dealer authorized to acquire gasoline without paying the motor fuel tax; or (3) any other person who acquires gasoline on which the motor fuel tax has not been paid. Gasoline is essentially taxed on first sale, or import.

Special fuel, which was not separately defined until 1988, is subject to the motor fuel tax when a special fuel seller delivers the fuel into a tank from which a motor vehicle can be fueled unless the person who uses or resells the special fuel has an exemption certificate. The tax is imposed when a special fuel user operates a motor vehicle on a public highway using special fuel; or when a person acquires special fuel without an exemption certificate; or when the motor fuel tax has not been paid.

The motor fuel tax on turbine fuel is imposed on the turbine fuel seller who delivers turbine fuel into the fuel supply tank of a turbine-powered aircraft, or any other person who acquires turbine fuel not tax-paid and without an exemption certificate.

There is an on-line service called "Motor Fuel License Inquiry" and "Special Fuel Exemption Inquiry" on the Comptroller's website that can be used to determine whether a business has a motor fuel license or a seller or user of special fuel has an exemption certificate.

Motor fuel that is exported or sold for exportation from Maryland is not subject to the motor fuel tax.

Discounts or Cost of Collection Allowances

Under Tax-General Article, § 9-308, a licensed gasoline dealer, special fuel seller, special fuel user, or turbine fuel seller shall file monthly tax returns and pay the motor fuel tax.

A licensed dealer or licensed special fuel seller must deduct as a discount 0.5% of the 1st 10 cents of the motor fuel tax on each gallon of motor fuel, if the dealer or seller is not taking an allowance for evaporation, shrinkage, and handling. The discount compensates the

licensed dealer and licensed special fuel seller for expenses incurred in keeping records, collecting and paying the tax, and preparing reports. Discounts do not apply to aviation gasoline. This discount must be allocated and passed on to subsequent purchasers as provided in Tax-General Article, § 9-315(b)(2).

Exemption Certificates

A holder of an exemption certificate may acquire in bulk special fuel or turbine fuel without paying the motor fuel tax from a licensed special fuel seller or turbine fuel seller. Sellers of kerosene and propane at retail may obtain exemption certificates if this is the only fuel sold, the fuel is sold for a nontaxable use, all other special fuels are purchased tax-paid from the supplier, or the seller is a licensed special fuel seller. Regulations related to exemption certificates are found in the Code of Maryland Regulations (COMAR) 03.03.01.16.

MOTOR CARRIER TAX

Tax-General Article, § 9-204 provides that the rate of the motor carrier tax for each gallon used by a commercial motor vehicle on a highway is the motor fuel tax rate for the type of motor fuel used for each gallon. Exceptions to what constitutes a “commercial motor vehicle” are found in Tax-General Article, § 9-201(b).

International Fuel Tax Agreement (“IFTA”)

Pursuant to the authority granted by Tax-General Article § 9-205, Maryland was approved in 1995 as a member jurisdiction of the International Fuel Tax Agreement (“IFTA”). Maryland’s IFTA membership became effective January 1, 1996, and the State currently continues to be a member, which requires compliance with the IFTA Articles of Agreement, IFTA Procedures Manual, and IFTA Audit Manual.

The IFTA Agreement applies to the fuel use taxation, registration, and reporting requirements of motor carriers. However, various provisions of the IFTA Agreement permit Maryland as a base jurisdiction to determine the rules and procedures according to Maryland law. Therefore, the motor carrier tax statute found in Tax-General Article, Title 9, Subtitle 2 must be considered in conjunction with the IFTA Agreement.

Three concepts are fundamental to IFTA: (1) base jurisdiction; (2) state sovereignty; and (3) uniformity.

(1) One license and one base jurisdiction is a core principle of IFTA. Maryland as an IFTA member means that it is a base jurisdiction for motor carriers with a vehicle registration in the State. The base jurisdiction concept allows a licensee to report and pay motor carrier taxes to Maryland for distribution to other member jurisdictions in which the licensee traveled and incurred motor fuel use tax liability.

(2) State sovereignty allows each member jurisdiction to retain its authority to impose and administer the motor carrier tax as it determines. By entering into IFTA, Maryland has not relinquished any substantive tax authority.

(3) Uniform IFTA rules and procedures facilitate the collection and disbursement of multistate fuel taxes, promoting interstate travel and commerce.

Under IFTA, the motor carrier tax and exemptions from tax are determined by the laws of the base jurisdiction. In Maryland, there are no exempt miles for the motor carrier tax; however, the tax is not imposed on commercial motor vehicles which are leased from another motor carrier who is responsible for the payment of the motor carrier tax, or those who operate a motor carrier under a trip permit.

The calculation used to compute the amount of motor fuel use in Maryland involves

two computations: (1) average fleet miles for each gallon; and (2) total miles the motor carrier's fleet travels on Maryland highways. To compute the average fleet miles for each gallon, a fraction is used, the numerator of which is the total miles that the motor carrier's entire fleet travels in all states; and the denominator of which is the total gallons of motor fuel used. This fraction is then divided into the total miles the motor carrier's fleet travels on Maryland highways.

The following is an example of how to calculate the motor carrier tax:

- (1) Total miles in all states: 1,000
-
- Total gallons of motor fuel used: 100
- = 10 Average Fleet MPG
- (2) Total miles traveled in Maryland: 500
Calculate Maryland taxable fuel use:
 $500 \div 10 = 50$ Maryland taxable gallons

If the motor fuel used is gasoline, the 50 taxable fuel use gallons are taxed at a rate of 36.7 cents for each gallon, or \$ 18.35. The motor carrier tax in the amount of \$ 18.35 on the 50 gallons can be reduced by a credit for tax-paid gallons purchased in Maryland.

Credits and Refunds

An IFTA licensee may receive credit or a refund for tax-paid purchases of fuel used outside the jurisdiction where the fuel was purchased. Tax-paid purchases to other member jurisdictions can be reported as credits on the licensee's IFTA Quarterly Fuel Use Tax Return. Refunds will be made only after all tax liabilities, including audit assessments, have been satisfied to all member jurisdictions.

Note: No Motor Fuel Tax/Motor Carrier Tax (IFTA) Bills were passed in 2020 that affect this report.

MOTOR FUEL TAX & MOTOR CARRIER TAX REGULATION

The Comptroller of Maryland is responsible for administering and enforcing the following provisions of the Annotated Code of Maryland:

Business Regulation Article, Title 10: Motor Fuel and Lubricants
Tax-General Article, Title 9, Subtitle 2: Motor Carrier Tax
Tax-General Article, Title 9, Subtitle 3: Motor Fuel Tax

Motor fuel is defined as: (1) Gasoline; or (2) Special Fuel. The following types of motor fuel are regulated by the Comptroller:

<u>Gasoline</u>	<u>Special Fuel</u>
Gasoline	Diesel Fuel
Ethanol	Biodiesel Fuel
	Natural Gas
<u>Aviation Fuel</u>	Kerosene
Aviation Gasoline	Propane
Turbine Fuel – Jet Fuel	Fuel Oil
	Hydrogen

Motor carriers, or commercial motor vehicles, are subject to the Articles of the International Fuel Tax Agreement (“IFTA”), and the laws and regulations of Title 9, Subtitle 2 of the Tax-General Article, Annotated Code of Maryland.

Licenses, Permits, and other Registrations

(1)	Gasoline Dealer Licenses	260
(2)	Distributor Licenses	30
(3)	Special Fuel Seller Licenses	445
(4)	Special Fuel User Licenses	92
(5)	Special Fuel Tax Exemption Certificates	991
(6)	Aviation Gasoline or Turbine Fuel Licenses	70
(7)	Motor Fuel Inspection Registrations	8,859
(8)	Petroleum Transporter Registrations	3,817
(9)	IFTA Licenses	5,225
(10)	IFTA Decals	42,981

Maryland Fuel Tax Rates

Type of Motor Fuel	Rate as of July 1, 2020	Description
Gasoline	\$.363 per gallon	Ethanol is designated as gasoline
Special Fuel	\$.3705 per gallon	Clear diesel, clear kerosene, and biodiesel
Aviation Gasoline and Turbine Fuel	\$.07 per gallon	Used to power aircraft
Dyed Kerosene, dyed diesel, fuel oil	Tax Free	Dyed fuel is for non-highway use and home heating. Use on public highway prohibited.
Propane, Compressed Natural Gas (CNG), Liquefied Natural Gas (LNG), liquefied petroleum gas (LPG), hydrogen	\$.363 per gasoline-equivalent gallon	Clean-burning fuels

Audits and Tax Administration

Field Audits:

	MOTOR FUEL	IFTA
Completed audits	29	161
Assessments:		
Tax	\$306,156	\$118,807
Penalty	33,150	14,201
Interest	245,309	10,815
Total Tax Assessments:	<u>\$584,615</u>	<u>\$143,823</u>

Internal Audits:

Crosscheck: Dealers, Special Fuel Sellers, and Users	35	-
<i>Tax Returns Processed:</i>	<u>12,641</u>	<u>18,552</u>

Taxable Gallonage Sales

Gasoline Dealers and Special Fuel Sellers and Users

Reporting Period	Gasoline Dealers	Special Fuel Sellers & Users	Total Taxable Gallons Sold
Jul-19	245,141,402	44,749,127	289,890,529
Aug-19	242,148,768	47,021,499	289,170,267
Sep-19	229,256,150	43,240,674	272,496,824
Oct-19	242,283,917	46,491,140	288,775,057
Nov-19	234,782,084	42,885,839	277,667,923
Dec-19	229,269,739	41,383,907	270,653,646
Jan-20	221,861,856	43,237,314	265,099,170
Feb-20	194,774,453	38,774,693	233,549,146
Mar-20	140,316,125	32,998,130	173,314,255
Apr-20	143,679,318	32,721,192	176,400,510
May-20	132,748,456	34,083,933	166,832,389
Jun-20	261,617,354	60,476,491	322,093,845
TOTAL:	2,517,879,622	508,063,939	3,025,943,561

Note: Motor fuel tax must be reported and paid by the last day of the month following the month in which motor fuel is sold or used in Maryland. Tax-General Article, § 9-308(a)(1), Annotated Code of Maryland.

Adjustments to Gross Gallonage

	Temperature and Stock Gallonage Adjustments (1)			Federal Exempt Gallonage	Cost of Collection Allowances (2)		
	Gasoline Dealer	Special Fuel Seller and User	TOTAL	TOTAL	Gasoline Dealer	Special Fuel Seller	TOTAL
Jul-19	262,309	120,630	382,939	83,383	\$ 123,779	\$ 26,185	\$ 149,964
Aug-19	6,647	95,210	101,857	141,368	124,117	25,843	149,960
Sep-19	14,564	41,608	56,172	104,120	109,640	25,173	134,813
Oct-19	420,000	98,277	518,277	82,096	122,855	24,612	147,467
Nov-19	98,520	592,803	691,323	108,337	115,153	27,776	142,929
Dec-19	661,749	491,476	1,153,225	65,457	98,882	23,782	122,664
Jan-20	670,918	294,221	965,139	77,384	125,895	24,276	150,171
Feb-20	139,235	335,769	475,004	95,275	90,107	22,044	112,151
Mar-20	86,902	199,178	286,080	51,417	62,222	19,527	81,749
Apr-20	251,494	999,891	1,251,385	43,888	64,350	16,885	81,235
May-20	34,625	437,663	472,288	21,256	82,783	20,767	103,550
Jun-20	30,860	120,907	151,766	119,633	121,269	24,661	145,930
TOTAL	2,677,823	3,827,633	6,505,455	993,614	\$ 1,241,052	\$ 281,531	\$ 1,522,583

Notes:

(1) Gallonage allowance for evaporation, shrinkage, and handling.

(2) Under Tax-General Article, § 9-315(a), a licensed gasoline dealer or licensed special fuel seller shall deduct 0.5% of the 1st 10 cents of the motor fuel tax on each gallon of motor fuel as a discount. A certain portion of the discount, or cost of collection allowance, must be allocated and passed-on by the licensed dealer and licensed special fuel seller in accordance with Tax-General Article, § 9-315(b)(2).

Taxable Gallonage Summary

	Gallons
Gross Gallons Reported:	3,025,943,561
<i>Less Adjustments:</i>	
Temperature & Stock Adjustments	6,505,455
Federal Exempt Purchases	993,614
Cost of Collection Allowance	1,522,583
<i>Total Adjustments</i>	9,021,652
Taxable Gallons:	3,016,921,910
Gasoline Dealers	2,517,879,622
Special Fuel Sellers and Users	508,063,939
Gross Gallons Reported:	3,025,943,561

Aviation Fuel Sellers - Taxable Gallons:	9,100,066
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AVIATION FUEL

Aviation Fuel is: (1) aviation gasoline; or (2) turbine fuel, both used to propel

aircraft. **2020 Aviation Fuel Sales (Gallons) :**

9,100,066

Taxable Gallonage: FY 2019 and FY 2020		
Month	2019	2020
July	889,331	1,113,800
August	642,994	846,081
September	1,048,215	1,112,569
October	1,042,157	897,901
November	921,995	745,643
December	769,987	719,985
January	573,857	737,504
February	780,694	677,505
March	773,760	449,937
April	1,027,516	444,778
May	1,004,148	697,757
June	683,588	656,606
TOTALS:	10,158,242	9,100,066
% change prior year	-10.7%	-10.4%

Aviation Fuel Tax Gross Revenue - FY 2020		
July	\$	77,966
August		59,226
September		77,880
October		62,853
November		52,195
December		50,399
January		51,625
February		47,425
March		31,496
April		31,134
May		48,843
June		45,962
TOTAL:	\$	637,004
% change prior year		-10.4%

Other Gross Revenue

Motor Carrier Temporary Permit Fees

Jul-19	\$	19,500
Aug-19		-
Sep-19		39,000
Oct-19		19,500
Nov-19		8,125
Dec-19		-
Jan-20		-
Feb-20		-
Mar-20		-
Apr-20		-
May-20		97,000
Jun-20		-
TOTAL:		\$ 183,125

% change prior year	1.2%
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Motor Fuel Tax - Penalties and Interest

		<u>Penalty</u>		<u>Interest</u>
Jul-19	\$	14,396	\$	4,745
Aug-19		11,751		1,167
Sep-19		55,878		1,256
Oct-19		2,813		4,035
Nov-19		239,227		495,609
Dec-19		16,775		2,144
Jan-20		45,771		35,292
Feb-20		1,414		20,147
Mar-20		1,289		147,507
Apr-20		29,909		8,541
May-20		3,470		6,506
Jun-20		8,747		3,705
TOTAL:		\$ 431,440	\$	730,654

% change prior year	30.0%	23.6%
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Other Gross Revenue - Floor Tax

Floor Tax

Jul-19	\$	36,628
Aug-19		1,187
Sep-19		825
Oct-19		10,983
Nov-19		4,418
Dec-19		796
Jan-20		964
Feb-20		535
Mar-20		-
Apr-20		140
May-20		-
Jun-20		63

TOTAL:	\$	56,539
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% change prior year	-89.4%
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Other Gross Revenue - SUTE & CPI

SUTE & CPI	
Jul-19	\$ 38,265,549
Aug-19	38,170,475
Sep-19	35,969,584
Oct-19	38,118,308
Nov-19	36,652,166
Dec-19	35,726,281
Jan-20	34,993,090
Feb-20	30,828,488
Mar-20	22,877,482
Apr-20	23,284,867
May-20	22,021,875
Jun-20	42,516,388
TOTAL:	\$ 399,424,553

% change prior year

2.2%

Motor Carrier Tax (IFTA) Gross Revenue

	<u>Maryland-Based</u>	<u>Motor Carriers</u>	<u>Motor Carriers Based -</u>	<u>Other Jurisdictions</u>
Jul-19	\$	846,823	\$	69
Aug-19		57,958		-
Sep-19		552,493		-
Oct-19		878,711		328,164
Nov-19		85,618		37
Dec-19		550,165		81
Jan-20		827,360		113,061
Feb-20		83,353		-
Mar-20		216,490		0
Apr-20		907,033		420
May-20		261,504		1
Jun-20		405,179		0
TOTAL:	\$	5,672,687	\$	441,833
% change prior year		4.0%		-73.0%

**MOTOR FUEL TAX AND MOTOR CARRIER TAX "IFTA"
GROSS REVENUE SUMMARY - FY 2020**

Motor Fuel Tax Revenue:	
Gasoline Dealers	\$ 924,061,821
Special Fuel Sellers and Users	190,269,946
Total Motor Fuel Tax Revenue:	\$ 1,114,331,767

IFTA Revenue:	
Maryland-Based	\$ 5,672,687
Based-Other Jurisdictions	441,833
Total IFTA Revenue:	\$ 6,114,520

Motor Fuel Tax Revenue	\$ 1,114,331,767
IFTA Revenue	6,114,520
Aviation Fuel Revenue	637,004
Floor Tax Revenue	56,539
Motor Carrier Temporary Permit Revenue	183,125
Miscellaneous Revenue: Penalties and Interest	1,162,094
Total Gross Revenue:	\$ 1,122,485,049

Total Gross Revenue - % change prior year

5.0%

Adjustments to Gross Revenue

Motor Fuel Tax Refunds

Jul-19	\$	4,915,894
Aug-19		2,030,590
Sep-19		2,499,947
Oct-19		3,386,411
Nov-19		3,032,740
Dec-19		710,741
Jan-20		4,656,991
Feb-20		6,875,789
Mar-20		3,185,495
Apr-20		2,926,802
May-20		1,130,295
Jun-20		2,867,654
TOTAL:	\$	38,219,349
% change prior year		-9.5%

IFTA Tax Refunds to Other Jurisdictions

Jul-19	\$	1,327,431
Aug-19		418,022
Sep-19		2,916
Oct-19		1,689,942
Nov-19		23,412
Dec-19		553,027
Jan-20		566
Feb-20		1,624,664
Mar-20		667
Apr-20		13,153
May-20		2,016,869
Jun-20		237,098
TOTAL:	\$	7,907,767
% change prior year		-12.3%

Administration Expenses

Jul-19	\$	861,007
Aug-19		952,034
Sep-19		1,995,176
Oct-19		969,658
Nov-19		694,628
Dec-19		575,010
Jan-20		666,198
Feb-20		656,532
Mar-20		985,964
Apr-20		634,065
May-20		-
Jun-19		1,648,866
TOTAL:	\$	10,639,138
% change prior year		-1.2%

MOTOR FUEL TAX AND MOTOR CARRIER TAX (IFTA) REVENUE AND DISTRIBUTION

	<i>Gross Motor Fuel Tax Revenue</i>	<i>Motor Fuel Tax Refunds</i>	<i>IFTA Tax Distribution to Other Jurisdictions</i>	<i>IFTA Tax Revenue and Motor Carrier Permit Fees to TTF</i>	<i>Floor Tax Revenue</i>	<i>SUT and CPI Purchases</i>	<i>Administrative Expenses</i>	<i>Net Aviation Fuel Tax Revenue to TTF</i>	<i>Distribution to Transportation Trust Fund - Tax Increase Factor to TTF</i>	<i>Net Revenue Available for Distribution</i>
Jul-19	\$ 107,725,570	\$ 4,915,894	\$ 1,327,431	\$ 866,392	\$ 36,628	38,265,549	\$ 861,007	\$ 77,966	\$ 13,244,231	\$ 48,130,472
Aug-19	106,609,438	2,030,590	418,022	57,958	1,187	38,170,475	952,034	59,226	14,009,270	50,910,676
Sep-19	101,057,972	2,499,947	2,916	591,493	825	35,969,584	1,995,176	77,880	12,930,350	46,989,801
Oct-19	107,636,189	3,386,411	1,689,942	1,226,375	10,983	38,118,308	969,658	62,853	13,416,209	48,755,450
Nov-19	103,111,000	3,032,740	23,412	93,780	4,418	36,652,166	694,628	52,195	13,499,505	49,058,156
Dec-19	100,260,627	710,741	553,027	550,246	796	35,726,281	575,010	50,399	13,399,478	48,694,649
Jan-20	98,689,748	4,656,991	566	940,421	964	34,993,090	666,198	51,625	12,382,179	44,997,714
Feb-20	86,156,220	6,875,789	1,624,664	83,353	535	30,828,488	656,532	47,425	9,934,988	36,104,446
Mar-20	64,250,600	3,185,495	667	216,490	-	22,877,482	985,964	31,496	7,974,200	28,978,806
Apr-20	65,961,574	2,926,802	13,153	907,453	140	23,284,867	634,065	31,134	8,235,515	29,928,445
May-20	61,900,440	1,130,295	2,016,869	358,505	-	22,021,875	-	48,843	7,838,476	28,485,577
Jun-20	119,125,671	2,867,654	237,098	405,179	63	42,516,388	1,648,866	45,962	15,408,582	55,995,879
TOTAL:	\$ 1,122,485,049	\$ 38,219,349	\$ 7,907,767	\$ 6,297,645	\$ 56,539	\$ 399,424,553	\$ 10,639,138	\$ 637,004	\$ 142,272,983	\$ 517,030,071

Note: "TTF" means the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund

Revenue and Distribution Summary

Gross Motor Fuel Tax Revenue:		\$ 1,122,485,049
Less Deductions:	Statutory Authority:	
Motor Fuel Tax Refunds	Tax-General Article, § 2-1101	\$ 38,219,349
IFTA Tax Refund- Other Jurisdictions	Tax-General Article, § 9-205, IFTA Agreement	7,907,767
Administrative Expenses	Tax-General Article, § 2-1102	10,639,138
IFTA Tax and Motor Carrier Fees	To TTF: Tax-General Article, § 2-1001	6,297,645
Floor Tax Revenue	To TTF: Tax-General Article, § 9-306, G	56,539
Aviation Fuel Tax	To TTF: Tax-General Article, § 2-1103(1)	637,004
Motor Fuel Tax - Tax Increase Factor	To TTF: Tax-General Article, § 2-1103(2)	142,272,983
SUT and CPI Purchases	To TTF: Tax-General Article, § 2-1103(4)	399,424,553
Total Deductions:		605,454,978
Net Motor Fuel Tax Revenue:		\$ 517,030,071

Net Motor Fuel Tax Revenue and Distribution

Distribution pursuant to Tax-General Article, § 2- 1104:	Water Way Improvement Fund (balance of 0.5%)	Chesapeake Bay 2010 Trust Fund (balance of 2.3%)	Transportation Trust Fund (balance all remaining motor fuel tax revenue)
Jul-19	\$ 240,652	\$ 1,107,001	\$ 46,782,819
Aug-19	254,553	1,170,946	49,485,177
Sep-19	234,949	1,080,766	45,674,087
Oct-19	243,777	1,121,375	47,390,297
Nov-19	245,291	1,128,338	47,684,528
Dec-19	243,473	1,119,977	47,331,199
Jan-20	224,989	1,034,947	43,737,778
Feb-20	180,522	830,402	35,093,522
Mar-20	144,894	666,513	28,167,399
Apr-20	149,642	688,354	29,090,449
May-20	142,428	655,168	27,687,981
Jun-20	279,979	1,287,905	54,427,995
TOTAL:	\$ 2,585,149	\$ 11,891,691	\$ 502,553,231

Total Distributions - Gasoline and Motor Vehicle Revenue Account - Transportation Trust Fund:	
IFTA Taxes: Maryland-Based Motor Carriers	\$ 5,672,687
IFTA Taxes: Other Jurisdictions	441,833
Motor Carrier Temporary Permit Fees	183,125
Aviation Fuel Tax Revenue	637,004
Floor Tax Revenue	56,539
SUT and CPI Purchases	399,424,553
Tax Increase Distribution	142,272,983
Balance Net Motor Fuel Tax Revenue	502,553,231
TOTAL:	\$ 1,051,241,955

Notes:

(1) Tax-General Article, § 2-1101 requires that all motor carrier tax revenue and fees collected under Title 9 be distributed to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund.

(2) Tax-General Article, § 2-1103(1) requires that all aviation fuel tax revenue be distributed to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund.

(3) Tax-General Article, § 2-1104(b) requires that for each fiscal year beginning on or before July 1, 2015 2.3% be distributed to the Chesapeake Bay 2010 Trust Fund. Tax-General Article, § 2-1104(a)(2) requires that all remaining motor fuel tax revenue, after payment of refunds for motor fuel tax and motor carrier tax, administration expenses, and a certain percentage distribution of motor fuel tax revenue to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund pursuant to Tax-General Article, § 2-1103(2), be distributed to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund. (Tax factor is 0.215793)

Historical Gallonage Summary

Gasoline Dealers and Special Fuel Sellers and Users

Fiscal Year	Gasoline	Special Fuel	Taxable	Federal Tax Exempt	Total Sales
2009	2,683,201,587	471,350,794	3,154,552,381	1,618,485	3,156,170,866
2010	2,649,962,586	473,125,049	3,123,087,635	1,734,158	3,124,821,793
2011	2,663,947,214	470,975,730	3,134,922,944	2,473,163	3,137,396,107
2012	2,682,363,515	466,912,244	3,149,275,759	1,758,620	3,151,034,379
2013	2,788,698,777	462,225,124	3,250,923,901	1,703,916	3,252,627,817
2014	2,742,981,644	467,036,533	3,210,018,177	1,341,453	3,211,359,630
2015	2,790,086,072	491,605,161	3,281,691,233	2,075,937	3,283,767,170
2016	2,812,904,690	499,375,562	3,312,280,252	1,532,756	3,313,813,008
2017	2,818,300,173	507,945,661	3,326,245,834	1,508,059	3,327,753,893
2018	2,768,412,913	525,434,375	3,293,847,288	1,384,325	3,295,231,613
2019	2,782,038,751	529,399,191	3,311,437,942	1,196,883	3,312,634,825
2020	2,517,879,622	508,063,939	3,025,943,561	993,614	3,026,937,175

Historical Net Tax Revenue Summary

(Dollars in thousands)

	FY 2009	FY 2010	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	% Change Prior Year
Gasoline Dealer Tax	\$ 634,729	\$ 622,741	\$ 626,028	\$ 630,349	\$ 655,344	\$ 740,808	\$ 804,495	\$ 909,623	\$ 944,127	\$ 935,723	\$ 982,059	\$ 924,061	-5.9%
Special Fuel Seller Tax	110,938	114,733	114,212	113,226	112,090	129,605	145,555	165,286	173,971	181,537	190,848	190,269	-0.3%
Aviation Fuel Sellers Tax	744	945	665	670	976	1,017	1,075	832	1,198	796	711	637	-10.4%
Motor Carrier Temporary Permits	147	118	181	147	134	176	109	101	189	177	181	183	1.1%
Other Revenue	206	514	260	276	2,184	1,426	3,691	2,990	2,002	900	923	1,162	25.9%
Motor Fuel Tax Refunds	(14,979)	(16,794)	(14,880)	(14,257)	(27,745)	(65,080)	(36,444)	(66,433)	(48,093)	(34,538)	(34,897)	(38,219)	9.5%
Net Revenue Subtotal:	\$ 731,785	\$ 722,257	\$ 726,466	\$ 730,411	\$ 742,983	\$ 807,952	\$ 918,481	\$ 1,012,399	\$ 1,073,394	\$ 1,084,595	\$ 1,139,825	\$ 1,078,093	-5.4%
IFTA Tax Revenue	11,239	7,756	5,112	4,729	4,526	6,357	6,321	6,331	6,310	6,391	7,087	6,114	-13.7%
IFTA Tax Refunds - Other Jurisdictions	(6,918)	(3,824)	(2,296)	(1,576)	(1,952)	(1,396)	(1,214)	(862)	(1,205)	(7,138)	(7,043)	(7,907)	12.3%
Net Tax Revenue	\$ 736,106	\$ 726,189	\$ 729,282	\$ 733,564	\$ 745,557	\$ 812,913	\$ 923,588	\$ 1,017,868	\$ 1,078,499	\$ 1,083,848	\$ 1,139,869	\$ 1,076,300	-5.6%

Historical Distribution Summary

(Dollars in thousands)

	FY 2009	FY 2010	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Administrative Expenses	\$ 7,905	\$ 9,054	\$ 7,081	8,857	\$ 8,023	\$ 8,809	\$ 9,016	\$ 9,461	\$ 10,896	\$ 11,347	\$ 10,514	\$ 10,639
Waterways Improvement Fund (.3%)	-	-	-	-	-	2,681	2,862	2,775	2,850	2,846	2,864	2,585
Fisheries Research and Development Fund (.3%)	-	-	-	-	-	-	-	-	-	-	-	-
General Fund - Chesapeake Bay Programs (2.3%)	-	-	-	-	-	-	-	-	-	-	-	-
General Fund	6,500	8,386	5,000	5,000	5,000	5,000	5,000	4,625	-	-	-	-
Budget Restoration Fund	-	-	-	-	8,000	-	-	-	-	-	-	-
Chesapeake Bay 2010 Trust Fund (Remaining 2.3%)	6,416	4,409	7,055	7,971	174	7,333	8,169	8,139	13,113	13,092	13,178	11,891
Gasoline & Motor Vehicle Revenue Account:												
Transportation Trust Fund	714,547	703,394	709,482	711,065	723,384	788,075	898,543	992,039	1,051,641	1,057,086	1,113,844	1,051,241
Transportation Trust Fund (Aviation)	737	945	663	670	976	1,017	1,076	832	1,198	796	711	637
TOTAL:	\$ 736,105	\$ 726,188	\$ 729,281	\$ 733,563	\$ 745,557	\$ 812,915	\$ 924,666	\$ 1,017,871	\$ 1,079,698	\$ 1,085,167	\$ 1,141,111	\$ 1,076,993

	FY 2009	FY 2010	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020
Gasoline & Motor Vehicle Revenue Account - Transportation Trust Fund:												
Counties, Baltimore City, and Municipalities (30%)	\$ 214,364	\$ 73,856	\$ 60,306	\$ 60,441	\$ 61,488	\$ 66,986	\$ 76,376	\$ 84,323	\$ 89,389	\$ 89,852	\$ 94,677	\$ 89,355
Department of Transportation (70%)	500,183	492,376	485,995	487,080	495,518	539,831	615,502	679,547	720,374	724,104	762,983	720,100
General Fund	-	137,162	163,181	163,545	166,378	181,257	206,665	228,169	241,877	243,130	256,184	241,785
	\$ 714,547	\$ 703,394	\$ 709,482	\$ 711,065	\$ 723,384	\$ 788,075	\$ 898,543	\$ 992,039	\$ 1,051,641	\$ 1,057,086	\$ 1,113,844	\$ 1,051,241

Notes:

- (1) Gasoline and motor vehicle revenues are distributed to the Department of Transportation and local governments pursuant to §§ 8-402 and 8-403 of the Transportation Article, Annotated Code of MD.
- (2) Chapter 484 (Senate Bill 141) - Budget Reconciliation and Financing Act of 2010 amended the allocation provision of § 8-402(c) of the Transportation Article as follows for FY 2010:
 - (i) 19.5% to General Fund; (ii) 70% to Department of Transportation; and (iii) balance, or 10.5%, to counties, municipalities, and Baltimore City.
- (3) Chapter 397 (House Bill 72) - Budget Reconciliation and Financing Act of 2011 amended the allocation provision of § 8-402(c) of the Transportation Article as follows for FY2011:
 - (i) 23% to General Fund; (ii) 68.5% to Department of Transportation; and (iii) balance, or 8.5% to counties, municipalities, and Baltimore City.
- (4) Tax-General Article, § 2-1104(b) requires that for each fiscal year beginning on or before July 1, 2015 that 2.3% be distributed to the Chesapeake Bay 2010 Trust Fund. 0.05 % IS distributed to Waterway fund Tax-General Article, § 2-1104(a)(2) requires that all remaining motor fuel tax revenue, after payment of refunds for motor fuel tax and motor carrier tax, administration expenses, and a certain percentage distribution of motor fuel tax revenue to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund pursuant to Tax-General Article, § 2-1103(2), be distributed to the Gasoline and Motor Vehicle Revenue Account of the Transportation Trust Fund. (Tax factor is 0.215793)

Historical Motor Fuel Tax Rates

Dates		Tax Rate Per Gallon	
From	To	Gasoline	Special Fuel
January, 1922	December, 1923	0.01	0
January, 1924	March, 1927	0.02	0
April, 1927	June, 1947	0.04	0
July, 1947	May, 1953	0.05	0
June, 1953	June, 1964	0.06	0
June, 1964	June, 1972	0.06	0.07
July, 1972	May, 1982	0.09	0.09
June, 1982	May, 1983	0.11	0.11
June, 1983	May, 1987	0.135	0.135
June, 1987	April, 1992	0.185	0.185
May, 1992	December, 1992	0.235	0.1925
January, 1993	June, 1993	0.235	0.235
July, 1993	June, 2013	0.235	0.2425
July, 2013	June, 2014	0.27	0.2775
July, 2014	December, 2014	0.274	0.2815
January, 2015	June, 2015	0.303	0.3105
July, 2015	December, 2015	0.321	0.3285
January, 2016	June, 2016	0.326	0.3335
July, 2016	June, 2017	0.335	0.3425
July, 2017	June, 2018	0.338	0.3455
July, 2018	June, 2019	0.353	0.3605
July, 2019	June, 2020	0.367	0.3745
July, 2020*	June, 2021	0.363	0.3705

* Fiscal 2021 tax rate

History of Motor Fuel Tax and Motor Carrier Tax

Date	Rate	Action		
1922	0.01	Motor Fuel Tax was created		
01/01/24	0.02	Tax rate increased 2 cents per gallon		
04/01/27	0.04	Tax rate increased 4 cents per gallon		
07/01/47	0.05	Tax rate increased 5 cents per gallon		
06/01/53	0.06	Tax rate increased 6 cents per gallon		
1953-1957		Motor Carrier Law enacted		
07/01/64	0.07	Tax rate increased 7 cents per gallon		
1964-1969		Motor Fuel Inspection Law enacted providing for the inspection and testing of motor fuel products		
07/01/72	0.09	Tax rate increased 9 cents per gallon		
1972 - 1978		United States Supreme Court in <i>Exxon Corp. v. Governor of Maryland</i> , 437 U.S. 117 (1978) upheld Maryland's divestiture law prohibiting producers or refiners from owning and operating retail service stations.		
06/01/82	0.11	Tax rate increased 11 cents per gallon. Motor carrier decal fee raised to \$25 per vehicle		
06/01/83	0.135	Tax rate increased 13.5 cents per gallon		
07/01/85		All sellers of special fuel must be licensed and all special fuel sales are subject to taxation except under specific circumstances. Decal fee for motor buses reduced from \$25 to \$10		
06/01/87	0.185	Tax rate increased 18.5 cents per gallon		
06/01/88		Motor carrier decal registration fee reduced to \$7		
	Gasoline	Aviation Fuel	Special Fuel	
Prior to 05/01/92	0.185	0.05	0.185	The 1992 Special Session of the Maryland General Assembly approved increases in all motor fuel tax rates. This legislation:
05/01/92	0.235	0.07	0.1925	Increased the gasoline tax rate to 23.5 cents per gallon, the special fuel tax rate from 18.5 cents to 19.25 cents per gallon, and the aviation fuel tax rate from 5 cents to 7 cents per gallon;
01/01/93	0.235	0.07	0.2175	Increased the special fuel tax rate to 21.75 cents per gallon
07/01/93	0.235	0.07	0.2425	Increased the special fuel tax rate to 24.25 cents per gallon
07/01/93	0.235			Imposed a .75 cent per gallon motor carrier surcharge on gasoline and clean-burning fuel powered vehicles.
1996				Maryland enters the International Fuel Tax Agreement (IFTA)
10/01/00				Requirement to extend temporary voluntary allowances uniformly - effective 9/30/2004
01/01/01				Motor carrier decal registration fee eliminated
10/01/01				Sale of motor fuel below cost became illegal
07/01/02				Cost of collection allowance reduced by 1/2
10/01/02				Highway vehicles using dyed diesel fuel became illegal
10/01/04				Requirement to extend temporary voluntary allowances uniformly - effective 9/30/2009
10/01/09				Requirement to extend temporary voluntary allowances uniformly - repealed
07/01/13	0.27	0.07	0.2775	Increased the gasoline tax rate to 27.0 cents per gallon and the Special Fuel 27.75 cents per gallon.
07/01/14	0.274	0.07	0.2815	Increased the gasoline tax rate to 27.4 cents per gallon and the Special Fuel to 28.15 cents per gallon.
01/01/15	0.303	0.07	0.3105	Increased the gasoline tax rate to 30.3 cents per gallon and the Special Fuel to 31.05 cents per gallon.
07/01/15	0.321	0.07	0.3285	Increased the gasoline tax rate to 32.10 cents per gallon and the Special Fuel to 32.85 cents per gallon.
01/01/16	0.326	0.07	0.3335	Increased the gasoline tax rate to 32.6 cents per gallon and the Special Fuel to 33.35 cents per gallon.
07/01/16	0.3335	0.07	0.3425	Increased the gasoline tax rate to 33.35 cents per gallon and the Special Fuel to 34.25 cents per gallon.
07/01/17	0.338	0.07	0.3455	Increased the gasoline tax rate to 33.8 cents per gallon and the Special Fuel to 34.55 cents per gallon.
07/02/18	0.353	0.07	0.3605	Increased the gasoline tax rate to 35.3 cents per gallon and the Special Fuel to 36.05 cents per gallon.
07/02/19	0.367	0.07	0.3745	Increased the gasoline tax rate to 36.7 cents per gallon and the Special Fuel to 37.45 cents per gallon.
07/01/20	0.363	0.07	0.3705	decreased the gasoline tax rate to 36.3 cents per gallon and the Special Fuel to 37.05 cents per gallon.