



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

Fiscal Year 2021



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 2021

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 410-260-7980 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 style with a large, stylized initial 'P'.

Comptroller of Maryland

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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 Bureau 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 Bureau and the regulatory function of the Field Enforcement Bureau. All information in this report, including but not limited to revenue, permits, and other regulatory activities are for fiscal year 2020: July 1, 2020 through June 30, 2021.

Taxes

For fiscal year 2021, the Motor Fuel Tax rate decreased on July 1, 2020 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 2021 was \$1,061,123,682. Compared to fiscal year 2020, fiscal year 2021 tax revenues indicate the following changes 6.9% decrease in gasoline taxes; a 1.9% decrease in special fuel taxes; a 46.3 % increase in aviation fuel taxes; a 22.1% increase in motor carrier taxes for Maryland-based commercial vehicles; a 100% increase in motor carrier taxes collected for commercial vehicles based in other jurisdictions, and a 11.3% decrease in motor carrier temporary permit fees. There was an overall decrease of 5.5% 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 36.1 cents for each gallon, or \$ 18.05. The motor carrier tax in the amount of \$ 18.05 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 2021 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	263
(2)	Distributor Licenses	29
(3)	Special Fuel Seller Licenses	450
(4)	Special Fuel User Licenses	91
(5)	Special Fuel Tax Exemption Certificates	903
(6)	Aviation Gasoline or Turbine Fuel Licenses	68
(7)	Motor Fuel Inspection Registrations	8,719
(8)	Petroleum Transporter Registrations	3,822
(9)	IFTA Licenses	5,520
(10)	IFTA Decals	44,064

Maryland Fuel Tax Rates

Type of Motor Fuel	Rate as of July 1, 2021	Description
Gasoline	\$.361 per gallon	Ethanol is designated as gasoline
Special Fuel	\$.3685 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	\$.361 per gasoline-equivalent gallon	Clean-burning fuels

Audits and Tax Administration

Field Audits:

	MOTOR FUEL	IFTA
Completed audits	5	1
Assessments:		
Tax	\$0	\$813
Penalty	0	50
Interest	0	114
Total Tax Assessments:	\$0	\$978

Internal Audits:

Crosscheck: Dealers, Special Fuel Sellers, and Users	-	-
<i>Tax Returns Processed:</i>	13,705	20,771

Taxable Gallonage Sales

Gasoline Dealers and Special Fuel Sellers and Users

Reporting Period	Gasoline Dealers	Special Fuel Sellers & Users	Total Taxable Gallons Sold
Jul-20	197,723,362	43,381,826	241,105,188
Aug-20	208,481,706	43,054,866	251,536,572
Sep-20	194,071,022	42,535,390	236,606,412
Oct-20	196,781,345	44,616,444	241,397,789
Nov-20	188,815,433	40,220,467	229,035,900
Dec-20	162,026,556	39,666,863	201,693,419
Jan-21	156,211,020	38,361,360	194,572,380
Feb-21	136,908,786	37,273,114	174,181,900
Mar-21	291,972,398	50,832,513	342,804,911
Apr-21	200,912,525	40,794,318	241,706,843
May-21	225,452,444	47,951,893	273,404,337
Jun-21	211,709,398	45,531,722	257,241,120
TOTAL:	2,371,065,994	514,220,777	2,885,286,772

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-20	35,077	193,200	228,277	51,143	\$ 84,368	\$ 23,261	\$ 107,629
Aug-20	94,873	711,969	806,842	90,716	120,437	24,899	145,336
Sep-20	17,079	115,599	132,678	91,669	100,261	23,829	124,090
Oct-20	27,363	115,730	143,093	212,504	98,524	23,829	122,353
Nov-20	66,972	515,808	582,780	46,259	57,191	20,388	77,579
Dec-20	102,683	174,939	277,622	85,220	91,113	24,516	115,629
Jan-21	266,982	312,466	579,448	59,896	100,332	201,145	301,477
Feb-21	96,438	175,986	272,424	87,276	56,442	22,430	78,872
Mar-21	126,933	169,703	296,636	71,565	147,502	25,302	172,804
Apr-21	400,038	1,107,647	1,507,685	83,894	110,873	25,594	136,467
May-21	48,350	173,127	221,477	69,724	113,007	27,061	140,068
Jun-21	64,445	197,624	262,069	68,336	104,062	23,927	127,989
TOTAL	1,347,233	3,963,798	5,311,031	1,018,202	\$ 1,184,112	\$ 466,181	\$ 1,650,293

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:	2,885,286,772
<i>Less Adjustments:</i>	
Temperature & Stock Adjustments	5,311,031
Federal Exempt Purchases	1,018,202
Cost of Collection Allowance	4,883,956
<i>Total Adjustments</i>	11,213,189
Taxable Gallons:	2,874,073,582
Gasoline Dealers	2,371,065,994
Special Fuel Sellers and Users	514,220,777
Gross Gallons Reported:	2,885,286,772

Aviation Fuel Sellers - Taxable Gallons:	13,311,213
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Taxable Gallonage - FY 2020 and FY 2021

Gasoline Dealers and Special Fuel Sellers or Users

Gasoline Dealers	Month	2020	2021
	July	245,141,402	197,723,362
	August	242,148,768	208,481,706
	September	229,256,150	194,071,022
	October	242,283,917	196,781,345
	November	234,782,084	188,815,433
	December	229,269,739	162,026,556
	January	221,861,856	156,211,020
	February	194,774,453	136,908,786
	March	140,316,125	291,972,398
	April	143,679,318	200,912,525
	May	132,748,456	225,452,444
	June	261,617,354	211,709,398
	TOTAL	2,517,879,622	2,371,065,994

% change prior year -9.5% -5.8%

Special Fuel Sellers and Users	Month	2020	2021
	July	44,749,127	43,381,826
	August	47,021,499	43,054,866
	September	43,240,674	42,535,390
	October	46,491,140	44,616,444
	November	42,885,839	40,220,467
	December	41,383,907	39,666,863
	January	43,237,314	38,361,360
	February	38,774,693	37,273,114
	March	32,998,130	50,832,513
	April	32,721,192	40,794,318
	May	34,083,933	47,951,893
	June	60,476,491	45,531,722
	TOTAL	508,063,939	514,220,777

% change prior year -4.00% 1.20%

Combined Taxable Gallons Sold	Month	2020	2021
	July	289,890,529	241,105,188
	August	289,170,267	251,536,572
	September	272,496,824	236,606,412
	October	288,775,057	241,397,789
	November	277,667,923	229,035,900
	December	270,653,646	201,693,419
	January	265,099,170	194,572,380
	February	233,549,146	174,181,900
	March	173,314,255	342,804,911
	April	176,400,510	241,706,843
	May	166,832,389	273,404,337
	June	322,093,845	257,241,120
	TOTAL	3,025,943,561	2,885,286,772

% change prior year -8.6% -4.5%

AVIATION FUEL

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

2021 Aviation Fuel Sales (Gallons) : 13,311,213

Taxable Gallonage: FY 2020 and FY 2021		
Month	2020	2021
July	1,113,800	662,617
August	846,081	914,406
September	1,112,569	663,325
October	897,901	1,056,682
November	745,643	1,040,775
December	719,985	839,421
January	737,504	941,106
February	677,505	697,339
March	449,937	1,066,668
April	444,778	3,121,961
May	697,757	992,961
June	656,606	1,313,952
TOTALS:	9,100,066	13,311,213
% change prior year	-10.4%	46.3%

Aviation Fuel Tax Gross Revenue - FY 2021		
July	\$	46,383
August		64,008
September		46,433
October		73,968
November		72,854
December		58,759
January		65,877
February		48,814
March		74,667
April		218,537
May		69,507
June		91,977
TOTAL:	\$	931,784
% change prior year		46.3%

Other Gross Revenue

Motor Carrier Temporary Permit Fees

Jul-20	\$	13,000
Aug-20		19,500
Sep-20		19,500
Oct-20		45,500
Nov-20		-
Dec-20		-
Jan-21		19,500
Feb-21		-
Mar-21		13,000
Apr-21		-
May-21		19,500
Jun-21		13,000
TOTAL:		\$ 162,500
% change prior year		-11.3%

Motor Fuel Tax - Penalties and Interest

		<u>Penalty</u>		<u>Interest</u>
Jul-20	\$	98,774	\$	10,076
Aug-20		4,280		117,690
Sep-20		19,948		2,532
Oct-20		1,721		3,606
Nov-20		41,609		7,228
Dec-20		3,323		54,797
Jan-21		12,028		1,397
Feb-21		12,509		1,141
Mar-21		12,204		1,640
Apr-21		57,927		17,715
May-21		23,006		3,331
Jun-21		11,515		889
TOTAL:		\$ 298,844	\$	222,042
% change prior year		-30.7%		-69.6%

Other Gross Revenue - Floor Tax

Floor Tax

Jul-20	\$	-
Aug-20		-
Sep-20		-
Oct-20		-
Nov-20		-
Dec-20		25
Jan-21		-
Feb-21		-
Mar-21		13,000
Apr-21		32,500
May-21		-
Jun-21		-
		<hr/>
TOTAL:	\$	45,525
		<hr/>
% change prior year		-19.5%

"IFTA" Motor Carrier Tax Gross Revenue

	<u>Maryland- Based Motor Carriers</u>		<u>Motor Carriers Based - Other Jurisdictions</u>
Jul-20	\$ 333,148	\$	1,462
Aug-20	97,785		-
Sep-20	453,780		-
Oct-20	1,178,333		286,559
Nov-20	114,285		-
Dec-20	448,988		33
Jan-21	1,212,205		223,390
Feb-21	90,885		-
Mar-21	497,095		237
Apr-21	1,279,576		399,724
May-21	6,321		-
Jun-21	1,211,963		411,465
TOTAL:	\$ 6,924,364	\$	1,322,870
% change prior year	22.1%		100.0%

**MOTOR FUEL TAX AND MOTOR CARRIER TAX "IFTA"
GROSS REVENUE SUMMARY - FY 2021**

Motor Fuel Tax Revenue:	
Gasoline Dealers	\$ 860,696,956
Special Fuel Sellers and Users	190,518,798
Total Motor Fuel Tax Revenue:	\$ 1,051,215,754

IFTA Revenue:	
Maryland-Based	\$ 6,924,364
Based-Other Jurisdictions	1,322,870
Total IFTA Revenue:	\$ 8,247,234

Motor Fuel Tax Revenue	\$ 1,051,215,754
IFTA Revenue	8,247,234
Aviation Fuel Revenue	931,784
Floor Tax Revenue	45,525
Motor Carrier Temporary Permit Revenue	162,500
Miscellaneous Revenue: Penalties and Interest	520,886
Total Gross Revenue:	\$ 1,061,123,682

Total Gross Revenue - % change prior year

-5.5%

Adjustments to Gross Revenue

Motor Fuel Tax Refunds

Jul-20	\$	1,387,452
Aug-20		650,762
Sep-20		5,211,786
Oct-20		3,301,717
Nov-20		1,247,095
Dec-20		1,657,844
Jan-21		4,185,792
Feb-21		1,879,521
Mar-21		826,675
Apr-21		2,006,576
May-21		777,194
Jun-21		3,520,896
TOTAL:	\$	26,653,310
% change prior year		-30.3%

IFTA Tax Refunds to Other Jurisdictions

Jul-20	\$	-
Aug-20		1,414,784
Sep-20		732,282
Oct-20		4,453
Nov-20		2,724,156
Dec-20		-
Jan-21		260
Feb-21		2,047,268
Mar-21		-
Apr-21		1,782,830
May-21		243,914
Jun-21		19,629
TOTAL:	\$	8,969,578
% change prior year		13.4%

Administration Expenses

Jul-20	\$	1,191,778
Aug-20		760,004
Sep-20		2,449,541
Oct-20		627,891
Nov-20		691,037
Dec-20		656,511
Jan-21		712,218
Feb-21		957,721
Mar-21		759,051
Apr-21		692,215
May-21		-
Jun-21		2,926,030
TOTAL:	\$	12,423,998
% change prior year		16.8%

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	\$ 88,349,390	\$ 1,387,452	\$ -	\$ 347,610	\$ -	30,861,464	\$ 1,191,778	\$ 46,383	\$ 11,763,891	\$ 42,750,812
Aug-19	91,933,950	650,762	\$ 1,414,784	117,285	-	32,196,681	760,004	64,008	12,241,869	44,488,556
Sep-19	86,749,336	5,211,786	732,282	473,280	-	30,285,621	2,449,541	46,433	10,261,042	37,289,351
Oct-19	89,551,707	3,301,717	4,453	1,510,392	-	30,898,917	627,891	73,968	11,466,025	41,668,344
Nov-19	83,677,661	1,247,095	2,724,156	114,285	-	29,316,595	691,037	72,854	10,684,265	38,827,374
Dec-19	74,078,138	1,657,844	-	449,022	25	25,816,758	656,511	58,759	9,805,465	35,633,754
Jan-20	72,451,881	4,185,792	260	1,455,094	-	24,905,265	712,218	65,877	8,875,000	32,252,375
Feb-20	63,660,928	1,879,521	2,047,268	90,885	-	22,295,283	957,721	48,814	7,842,227	28,499,208
Mar-20	125,431,269	826,675	-	510,332	13,000	43,879,029	759,051	74,667	17,082,003	62,286,512
Apr-20	90,051,520	2,006,576	1,782,830	1,679,300	32,500	30,938,476	692,215	218,537	11,372,525	41,328,561
May-20	99,727,078	777,194	243,914	25,821	-	34,995,756	-	69,507	13,772,223	49,842,663
Jun-20	95,460,825	3,520,896	19,629	1,636,428	-	32,926,864	2,926,030	91,977	11,726,726	42,612,275
TOTAL:	\$ 1,061,123,683	\$ 26,653,310	\$ 8,969,576	\$ 8,409,734	\$ 45,525	\$ 369,316,708	\$ 12,423,997	\$ 931,784	\$ 136,893,263	\$ 497,479,786

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

Revenue and Distribution Summary

Gross Motor Fuel Tax Revenue:	\$ 1,061,123,683
Less Deductions:	
Motor Fuel Tax Refunds	\$ 26,653,310
IFTA Tax Refund- Other Jurisdictions	8,969,576
Administrative Expenses	12,423,997
IFTA Tax and Motor Carrier Fees	8,409,734
Floor Tax Revenue	45,525
Aviation Fuel Tax	931,784
Motor Fuel Tax - Tax Increase Factor	136,893,263
SUT and CPI Purchases	<u>369,316,708</u>
Total Deductions:	563,643,897
Net Motor Fuel Tax Revenue:	\$ 497,479,786

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-20	\$ 213,754	\$ 983,269	\$ 41,553,789
Aug-20	222,439	1,023,220	43,242,897
Sep-20	186,447	857,655	36,245,249
Oct-20	208,342	958,372	40,501,631
Nov-20	194,137	893,030	37,740,208
Dec-20	178,169	819,576	34,636,009
Jan-21	161,262	741,805	31,349,309
Feb-21	142,496	655,482	27,701,231
Mar-21	310,386	1,427,776	60,548,350
Apr-21	206,643	950,557	40,171,361
May-21	250,246	1,151,132	48,441,284
Jun-21	213,079	980,162	41,419,034
TOTAL:	\$ 2,487,399	\$ 11,442,035	\$ 483,550,351

Total Distributions - Gasoline and Motor Vehicle Revenue Account - Transportation Trust Fund:	
IFTA Taxes: Maryland-Based Motor Carriers	\$ 6,924,364
IFTA Taxes: Other Jurisdictions	1,322,870
Motor Carrier Temporary Permit Fees	162,500
Aviation Fuel Tax Revenue	931,784
Floor Tax Revenue	45,525
SUT and CPI Purchases	369,316,708
Tax Increase Distribution	136,893,263
Balance Net Motor Fuel Tax Revenue	483,550,351
TOTAL:	\$ 999,147,366

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
2021	2,371,065,994	514,220,777	2,885,286,772	1,018,202	2,886,304,974

Historical Net Tax Revenue Summary

(Dollars in thousands)

	FY 2009	FY 2010	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	% 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	\$ 860,696	-6.9%
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	190,518	0.1%
Aviation Fuel Sellers Tax	744	945	665	670	976	1,017	1,075	832	1,198	796	711	637	931	46.2%
Motor Carrier Temporary Permits	147	118	181	147	134	176	109	101	189	177	181	183	162	-11.5%
Other Revenue	206	514	260	276	2,184	1,426	3,691	2,990	2,002	900	923	1,162	520	-55.2%
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)	(26,653)	-30.3%
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	\$ 1,026,174	-4.8%
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	6,924	13.2%
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)	(1,322)	83.3%
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	\$ 1,031,776	-4.1%

Historical Distribution Summary

(Dollars in thousands)

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
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	\$ 12,423
Waterways Improvement Fund (.3%)	-	-	-	-	-	2,681	2,862	2,775	2,850	2,846	2,864	2,585	2,487
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	11,442
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	999,147
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	\$ 1,025,499

	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2021
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	\$ 84,927
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	684,416
General Fund	-	137,162	163,181	163,545	166,378	181,257	206,665	228,169	241,877	243,130	256,184	241,785	229,804
TOTAL:	\$ 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	\$ 999,147

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 FY 2011:
 (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
July, 2021*	June, 2022	0.361	0.3685

* Fiscal 2022 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.
07/01/21	0.361	0.07	0.3685	decreased the gasoline tax rate to 36.1 cents per gallon and the Special Fuel to 36.85 cents per gallon.