



COMPTROLLER
of MARYLAND
Serving the People

**Motor Fuel Tax &
Motor Carrier Tax (IFTA)
Annual Report**

Fiscal Year 2018



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 2018.

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 in the Revenue Administration Division 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 'P' and 'F'.

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 2017 and FY 2018	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
	Motor Fuel Tax and Motor Carrier Tax “IFTA” Gross Revenue Summary – FY 2018	18
VI.	Adjustments to Gross Revenue (Deductions)	19
VII.	Revenue Distribution	
	Motor Fuel Tax and Motor Carrier Tax “IFTA” Revenue and Distribution	20
	Net Motor Fuel Tax Revenue and Distribution	21
VIII.	Historical Data and Statistics	
	Historical Gallonage Sales	22
	Historical Net Tax Revenue Summary	23
	Historical Distribution Summary	24
	Historical Motor Fuel Tax Rates	25
	History of Motor Fuel Tax and Motor Carrier Tax	26

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 2018: July 1, 2017 through June 30, 2018.

Taxes

For fiscal year 2018, the Motor Fuel Tax rate increased on July 1, 2017 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 2018 was \$1,126,049,284. Compared to fiscal year 2017, fiscal year 2018 tax revenues indicate the following changes: a 0.9% decrease in gasoline taxes; a 4.3% increase in special fuel taxes; a 33.6% decrease in aviation fuel taxes; a 16.8% increase in motor carrier taxes for Maryland-based commercial vehicles; a 43.8% decrease in motor carrier taxes collected for commercial vehicles based in other jurisdictions; and a 6.5% decrease in motor carrier temporary permit fees. There was an overall decrease of 0.2% 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 web site 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: 50
- = 20 Average Fleet MPG
- (2) Total miles traveled in Maryland: 500
Calculate Maryland taxable fuel use:
 $500 \div 20 = 25$ Maryland taxable gallons

If the motor fuel used is gasoline, the 25 taxable fuel use gallons are taxed at a rate of 30.3 cents for each gallon, or \$ 7.58. The motor carrier tax in the amount of \$ 7.58 on the 25 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 2018 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

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	27
(3)	Special Fuel Seller Licenses	441
(4)	Special Fuel User Licenses	99
(5)	Special Fuel Tax Exemption Certificates	1,003
(6)	Aviation Gasoline or Turbine Fuel Licenses	73
(7)	Motor Fuel Inspection Registrations	9,025
(8)	Petroleum Transporter Registrations	790
(9)	IFTA Licenses	5,190
(10)	IFTA Decals	49,368

Maryland Fuel Tax Rates

Type of Motor Fuel	Rate as of July 1, 2018	Description
Gasoline	\$.353 per gallon	Ethanol is designated as gasoline
Special Fuel	\$.3605 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	\$.338 per gasoline-equivalent gallon	Clean-burning fuels

Audits and Tax Administration

Field Audits:

	<u>MOTOR FUEL</u>	<u>IFTA</u>
Completed audits	48	144
Assessments:		
Tax	\$3,647,892	\$318,554
Penalty	21,037	28,705
Interest	439,888	21,632
Total Tax Assessments:	<u>\$4,108,817</u>	<u>\$368,890</u>

Internal Audits:

Crosscheck: Dealers, Special Fuel Sellers, and Users	24	-
<i>Tax Returns Processed:</i>	12,990	19,036

Taxable Gallonage Sales

Gasoline Dealers and Special Fuel Sellers and Users

Reporting Period	Gasoline Dealers	Special Fuel Sellers & Users	Total Taxable Gallons Sold
Jul-17	233,662,914	43,724,020	277,386,934
Aug-17	245,129,057	46,093,790	291,222,847
Sep-17	225,611,663	43,219,988	268,831,651
Oct-17	240,591,894	45,962,401	286,554,295
Nov-17	235,513,073	42,616,447	278,129,520
Dec-17	235,206,312	42,952,653	278,158,965
Jan-18	214,000,478	42,769,137	256,769,615
Feb-18	195,200,053	38,815,947	234,016,000
Mar-18	245,895,327	43,724,299	289,619,626
Apr-18	224,935,881	43,809,868	268,745,749
May-18	241,500,451	46,949,596	288,450,047
Jun-18	231,165,810	44,796,229	275,962,039
TOTAL:	2,768,412,913	525,434,375	3,293,847,288

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-17	38,068	195,723	233,791	139,088	\$ 121,978	\$ 24,545	\$ 146,523
Aug-17	13,659	83,898	97,557	114,840	121,680	25,158	146,838
Sep-17	78,197	368,731	446,928	169,362	122,228	25,804	148,032
Oct-17	29,194	146,449	175,643	115,117	109,332	26,320	135,652
Nov-17	173,539	249,237	422,776	82,263	110,145	22,849	132,994
Dec-17	108,351	245,208	353,559	121,548	126,156	25,891	152,047
Jan-18	221,402	51,408	272,810	114,862	106,222	24,092	130,314
Feb-18	193,116	131,215	324,331	81,215	96,340	29,180	125,520
Mar-18	294,541	137,999	432,540	112,160	106,851	42,187	149,038
Apr-18	232,197	296,611	528,808	90,314	118,982	23,300	142,282
May-18	147,536	117,532	265,068	119,572	123,739	27,070	150,809
Jun-18	25,606	165,748	191,354	123,984	127,563	24,982	152,545
TOTAL	1,555,406	2,189,759	3,745,165	1,384,325	\$ 1,391,216	\$ 321,378	\$ 1,712,594

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:	3,293,847,288
<i>Less Adjustments:</i>	
Temperature & Stock Adjustments	3,745,165
Federal Exempt Purchases	1,384,325
Cost of Collection Allowance	5,083,066
<i>Total Adjustments</i>	10,212,556
Taxable Gallons:	3,283,634,732
Gasoline Dealers	2,768,412,913
Special Fuel Sellers and Users	525,434,375
Gross Gallons Reported:	3,293,847,288

Aviation Fuel Sellers - Taxable Gallons:	11,375,602
---	-------------------

AVIATION FUEL

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

2018 Aviation Fuel Sales (Gallons) : 11,375,602

Taxable Gallonage: FY 2017 and FY 2018		
Month	2017	2018
July	2,945,642	1,022,151
August	2,608,011	1,271,937
September	1,521,997	1,170,678
October	1,166,735	1,130,474
November	1,140,216	974,743
December	1,025,904	760,470
January	645,538	652,347
February	1,421,344	797,024
March	874,976	755,052
April	861,603	799,334
May	1,461,824	1,082,223
June	1,451,685	959,169
TOTALS:	17,125,475	11,375,602
% change prior year	44.0%	-33.6%

Aviation Fuel Tax Gross Revenue - FY 2018		
July	\$	71,551
August		89,036
September		81,947
October		79,133
November		68,232
December		53,233
January		45,664
February		55,792
March		52,854
April		55,953
May		75,756
June		67,142
TOTAL:	\$	796,293
% change prior year		-33.6%

Other Gross Revenue

Motor Carrier Temporary Permit Fees

Jul-17	\$	3,000
Aug-17		51,000
Sep-17		21,000
Oct-17		3,000
Nov-17		3,000
Dec-17		6,000
Jan-18		-
Feb-18		24,000
Mar-18		34,500
Apr-18		7,800
May-18		18,000
Jun-18		6,000
TOTAL:		\$ 177,300
% change prior year		-6.5%

Motor Fuel Tax - Penalties and Interest

		<u>Penalty</u>		<u>Interest</u>
Jul-17	\$	4,898	\$	48,752
Aug-17		870		86
Sep-17		10,006		18,211
Oct-17		80,310		5,017
Nov-17		5,216		660
Dec-17		7,518		7,440
Jan-18		6,443		17,252
Feb-18		8,559		69,729
Mar-18		13,245		181,968
Apr-18		268,763		53,433
May-18		6,029		60,109
Jun-18		12,413		13,843
TOTAL:		\$ 424,270	\$	476,500
% change prior year		100.0%		-70.6%

Other Gross Revenue - Floor Tax

Floor Tax

Jul-17	\$	24,073
Aug-17		1,996
Sep-17		2,076
Oct-17		441
Nov-17		130
Dec-17		36
Jan-18		202
Feb-18		13
Mar-18		58
Apr-18		86
May-18		510
Jun-18		491,824

TOTAL:	\$	521,445
---------------	-----------	----------------

% change prior year	100.0%
---------------------	--------

"IFTA" Motor Carrier Tax Gross Revenue

	Maryland-Based Motor Carriers		Motor Carriers Based - Other Jurisdictions
Jul-17	\$ 900,245		\$ 74,394
Aug-17	66,032		0
Sep-17	396,428		55,909
Oct-17	863,769		165,654
Nov-17	72,494		0
Dec-17	511,722		17,593
Jan-18	762,365		220,723
Feb-18	49,929		141
Mar-18	228,308		68,281
Apr-18	1,038,213		304,628
May-18	78,430		26
Jun-18	516,848		202
TOTAL:	\$ 5,484,783		\$ 907,551
% change prior year	16.8%		-43.8%

**MOTOR FUEL TAX AND MOTOR CARRIER TAX "IFTA"
GROSS REVENUE SUMMARY - FY 2018**

Motor Fuel Tax Revenue:	
Gasoline Dealers	\$ 935,723,566
Special Fuel Sellers and Users	181,537,576
Total Motor Fuel Tax Revenue:	\$ 1,117,261,142

IFTA Revenue:	
Maryland-Based	\$ 5,484,783
Based-Other Jurisdictions	907,551
Total IFTA Revenue:	\$ 6,392,334

Motor Fuel Tax Revenue	\$ 1,117,261,142
IFTA Revenue	6,392,334
Aviation Fuel Revenue	796,293
Floor Tax Revenue	521,445
Motor Carrier Temporary Permit Revenue	177,300
Miscellaneous Revenue: Penalties and Interest	900,770
Total Gross Revenue:	\$ 1,126,049,284

Total Gross Revenue - % change prior year

-0.2%

Adjustments to Gross Revenue

Motor Fuel Tax Refunds

Jul-17	\$	6,381,060
Aug-17		1,859,542
Sep-17		1,606,023
Oct-17		2,117,926
Nov-17		1,462,164
Dec-17		4,691,537
Jan-18		2,952,486
Feb-18		938,622
Mar-18		4,573,767
Apr-18		3,982,878
May-18		2,004,565
Jun-18		1,967,358
TOTAL:	\$	34,537,928
% change prior year		-28.2%

IFTA Tax Refunds to Other Jurisdictions

Jul-17	\$	1,482,723
Aug-17		-
Sep-17		1,210
Oct-17		1,825,863
Nov-17		22,319
Dec-17		161
Jan-18		1,848,821
Feb-18		42,092
Mar-18		10
Apr-18		1,650,969
May-18		30,143
Jun-18		234,459
TOTAL:	\$	7,138,770
% change prior year		100.0%

Administration Expenses

Jul-17	\$	-
Aug-17		2,465,528
Sep-17		1,073,952
Oct-17		1,552,519
Nov-17		1,897,034
Dec-17		612,727
Jan-18		552,691
Feb-18		501,496
Mar-18		623,571
Apr-18		859,377
May-18		-
Jun-18		1,208,671
TOTAL:	\$	11,347,566
% change prior year		4.1%

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-17	\$ 95,211,627	\$ 6,381,060	\$ 1,482,723	\$ 977,639	\$ 24,073	28,570,855	\$ -	\$ 71,551	\$ 12,452,060	\$ 45,251,666
Aug-17	98,988,044	1,859,542	-	117,032	1,996	29,995,954	2,465,528	89,036	13,909,791	50,549,165
Sep-17	91,774,825	1,606,023	1,210	473,337	2,076	27,689,661	1,073,952	81,947	13,130,274	47,716,345
Oct-17	98,397,393	2,117,926	1,825,863	1,032,423	441	29,515,092	1,552,519	79,133	13,438,292	48,835,704
Nov-17	94,477,135	1,462,164	22,319	75,494	130	28,647,340	1,897,034	68,232	13,444,858	48,859,564
Dec-17	94,943,417	4,691,537	161	535,315	36	28,650,373	612,727	53,233	13,033,905	47,366,130
Jan-18	88,161,548	2,952,486	1,848,821	983,088	202	26,447,270	552,691	45,664	11,940,113	43,391,213
Feb-18	79,596,690	938,622	42,092	74,070	13	24,103,648	501,496	55,792	11,627,134	42,253,823
Mar-18	98,798,581	4,573,767	10	331,089	58	29,830,821	623,571	52,854	13,678,344	49,708,067
Apr-18	92,893,513	3,982,878	1,650,969	1,350,641	86	27,680,813	859,377	55,953	12,367,701	44,945,095
May-18	98,087,098	2,004,565	30,143	96,456	510	29,710,355	-	75,756	14,278,875	51,890,438
Jun-18	94,719,413	1,967,358	234,459	523,050	491,824	28,424,090	1,208,671	67,142	13,336,616	48,466,203
TOTAL:	\$ 1,126,049,284	\$ 34,537,928	\$ 7,138,770	\$ 6,569,634	\$ 521,445	\$ 339,266,272	\$ 11,347,566	\$ 796,293	\$ 156,637,963	\$ 569,233,413

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

Revenue and Distribution Summary

Gross Motor Fuel Tax Revenue:	\$ 1,126,049,284
Less Deductions:	
Motor Fuel Tax Refunds	\$ 34,537,928
IFTA Tax Refund- Other Jurisdictions	7,138,770
Administrative Expenses	11,347,566
"IFTA" Tax and Motor Carrier Fees	6,569,634
Floor Tax Revenue	521,445
Aviation Fuel Tax	796,293
Motor Fuel Tax - Tax Increase Factor	156,637,963
SUT and CPI Purchases	339,266,272
Total Deductions:	556,815,871
Net Motor Fuel Tax Revenue:	\$ 569,233,413

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-17	\$ 226,258	\$ 1,040,788	\$ 43,984,620
Aug-17	252,746	1,162,631	49,133,788
Sep-17	238,582	1,097,476	46,380,287
Oct-17	244,179	1,123,221	47,468,304
Nov-17	244,297	1,123,770	47,491,497
Dec-17	236,831	1,089,421	46,039,878
Jan-18	216,956	997,998	42,176,259
Feb-18	211,269	971,838	41,070,716
Mar-18	248,540	1,143,286	48,316,241
Apr-18	224,725	1,033,737	43,686,633
May-18	259,452	1,193,480	50,437,506
Jun-18	242,331	1,114,723	47,109,149
TOTAL:	\$ 2,846,166	\$ 13,092,369	\$ 553,294,878

Total Distributions - Gasoline and Motor Vehicle Revenue Account - Transportation Trust Fund:	
IFTA Taxes: Maryland-Based Motor Carriers	\$ 5,484,783
IFTA Taxes: Other Jurisdictions	907,551
Motor Carrier Temporary Permit Fees	177,300
Aviation Fuel Tax Revenue	796,293
Floor Tax Revenue	521,445
SUT and CPI Purchases	339,266,272
Tax Increase Distribution	156,637,963
Balance Net Motor Fuel Tax Revenue	553,294,878
TOTAL:	\$ 1,057,086,485

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
2005	2,706,755,055	489,832,453	3,196,587,508	2,156,213	3,198,743,721
2006	2,687,845,483	509,407,062	3,197,252,545	2,141,616	3,199,394,161
2007	2,726,794,461	509,104,496	3,235,898,957	2,014,620	3,237,913,577
2008	2,721,145,766	509,725,987	3,230,871,753	1,905,418	3,232,777,171
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

Historical Net Tax Revenue Summary

(Dollars in thousands)

	FY 2006	FY 2007	FY2008	FY 2009	FY 2010	FY 2011	FY 2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	% Change Prior Year
Gasoline Dealer Tax	\$ 635,468	\$ 636,353	\$ 638,293	\$ 634,729	\$ 622,741	\$ 626,028	\$ 630,349	\$ 655,344	\$ 740,808	\$ 804,495	\$ 909,623	\$ 944,127	\$ 935,723	-0.9%
Special Fuel Seller Tax	127,257	123,142	123,219	110,938	114,733	114,212	113,226	112,090	129,605	145,555	165,286	173,971	181,537	4.3%
Aviation Fuel Sellers Tax	995	1,950	1,470	744	945	665	670	976	1,017	1,075	832	1,198	796	-33.6%
Motor Carrier Temporary Permits	135	122	147	147	118	181	147	134	176	109	101	189	177	-6.3%
Other Revenue	338	356	278	206	514	260	276	2,184	1,426	3,691	2,990	2,002	900	-55.0%
Motor Fuel Tax Refunds	(17,282)	(14,408)	(15,512)	(14,979)	(16,794)	(14,880)	(14,257)	(27,745)	(65,080)	(36,444)	(66,433)	(48,093)	(34,538)	-28.2%
Net Revenue Subtotal:	\$ 746,911	\$ 747,515	\$ 747,895	\$ 731,785	\$ 722,257	\$ 726,466	\$ 730,411	\$ 742,983	\$ 807,952	\$ 918,481	\$ 1,012,399	\$ 1,073,394	\$ 1,084,595	1.0%
IFTA Tax Revenue	17,206	14,452	14,177	11,239	7,756	5,112	4,729	4,526	6,357	6,321	6,331	6,310	6,391	1.3%
IFTA Tax Refunds - Other Jurisdictions	(6,158)	(6,235)	(6,896)	(6,918)	(3,824)	(2,296)	(1,576)	(1,952)	(1,396)	(1,214)	(862)	(1,205)	(7,138)	100.0%
Net Tax Revenue	\$ 757,959	\$ 755,732	\$ 755,176	\$ 736,106	\$ 726,189	\$ 729,282	\$ 733,564	\$ 745,557	\$ 812,913	\$ 923,588	\$ 1,017,868	\$ 1,078,499	\$ 1,083,848	0.5%

Historical Distribution Summary

(Dollars in thousands)

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Administrative Expenses	\$ 7,335	\$ 7,774	\$ 7,615	\$ 7,905	\$ 9,054	\$ 7,081	8,857	\$ 8,023	\$ 8,809	\$ 9,016	\$ 9,461	\$ 10,896	\$ 11,347
Waterways Improvement Fund (.3%)	1,722	1,721	1,722	-	-	-	-	-	2,681	2,862	2,775	2,850	2,846
Fisheries Research and Development Fund (.3%)	1,722	1,721	1,722	-	-	-	-	-	-	-	-	-	-
General Fund - Chesapeake Bay Programs (2.3%)	13,207	13,197	13,199	-	-	-	-	-	-	-	-	-	-
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
Gasoline & Motor Vehicle Revenue Account:													
Transportation Trust Fund	732,905	729,621	729,470	714,547	703,394	709,482	711,065	723,384	788,075	898,543	992,039	1,051,641	1,057,086
Transportation Trust Fund (Aviation)	1,067	1,698	1,448	737	945	663	670	976	1,017	1,076	832	1,198	796
TOTAL:	\$ 757,958	\$ 755,732	\$ 755,176	\$ 736,105	\$ 726,188	\$ 729,281	\$ 733,563	\$ 745,557	\$ 812,915	\$ 924,666	\$ 1,017,871	\$ 1,079,698	\$ 1,085,167

	FY 2006	FY 2007	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015	FY 2016	FY 2017	FY 2018
Gasoline & Motor Vehicle Revenue Account - Transportation Trust Fund:													
Counties, Baltimore City, and Municipalities (30%)	\$ 219,872	\$ 218,886	\$ 218,841	\$ 214,364	\$ 73,856	\$ 60,306	\$ 60,441	\$ 61,488	\$ 66,986	\$ 76,376	\$ 84,323	\$ 89,389	\$ 89,852
Department of Transportation (70%)	513,033	510,735	510,629	500,183	492,376	485,995	487,080	495,518	539,831	615,502	679,547	720,374	724,104
General Fund					137,162	163,181	163,545	166,378	181,257	206,665	228,169	241,877	243,130
	\$ 732,905	\$ 729,621	\$ 729,470	\$ 714,547	\$ 703,394	\$ 709,482	\$ 711,065	\$ 723,384	\$ 788,075	\$ 898,543	\$ 992,039	\$ 1,051,641	\$ 1,057,086

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

* Fiscal 2019 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 Tax	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.