

# FISCAL UPDATE Article

Fiscal Services Division

December 4, 2020



Ground Floor, State Capitol Building

Des Moines, Iowa 50319

515.281.3566

## ROAD USE TAX FUND RECEIPTS AND DECEMBER DISTRIBUTIONS

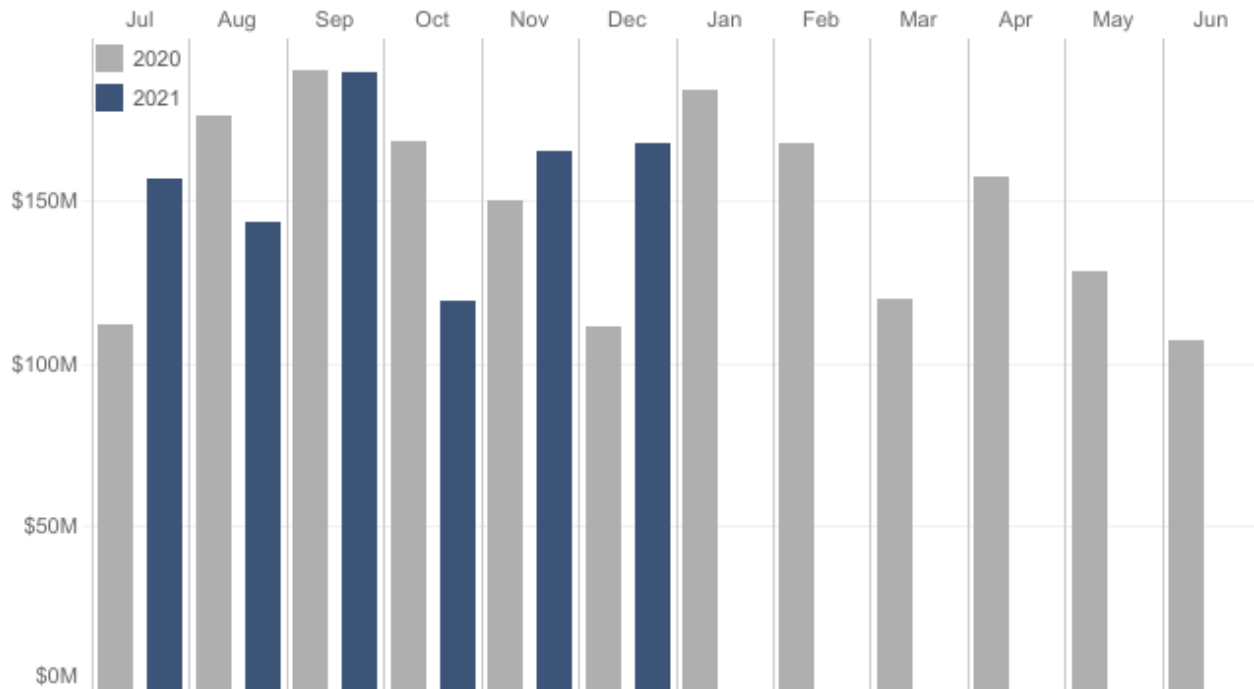
**Revenue.** This document tracks December distributions from the Road Use Tax Fund (RUTF) to various appropriations and road funds. These distributions are made at the beginning of the month from revenues deposited in the RUTF through the end of November.

Year to date, receipts are up by \$34.0 million. The chart below displays distributions from the RUTF by month for cash years 2020 and 2021.<sup>1</sup> Distributions for December 2020 are up \$56.4 million compared to December 2019. This increase is due to lower distributions in December 2019.

**\$906.8M**  
2020 Total RUTF  
Distributions in December

**\$940.8M**  
2021 Total RUTF  
Distributions in December

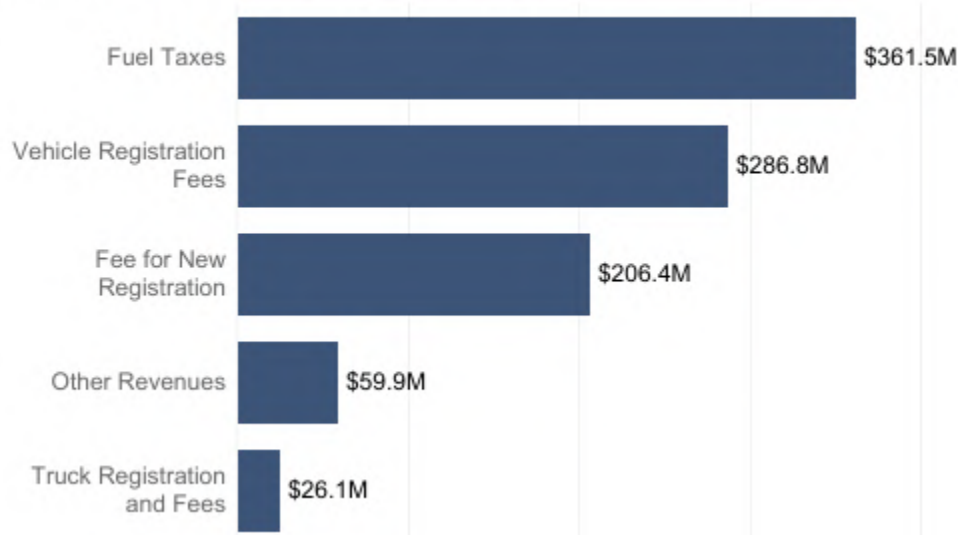
Road Use Tax Fund and TIME-21 Fund Distributions by Month



<sup>1</sup> "Cash year 2020" refers to cash deposits between July 1, 2019, and June 30, 2020, without regard to accrual adjustments.

The majority of funding allocated to the RUTF is provided through fuel taxes, annual registration fees, and new registration fees. These three revenue sources have provided 93.6% of all revenue distributed in the RUTF through November 30, 2020. Cash year 2021 revenues by type are displayed below.

#### Road Use Tax Fund Revenue by Source – 2021



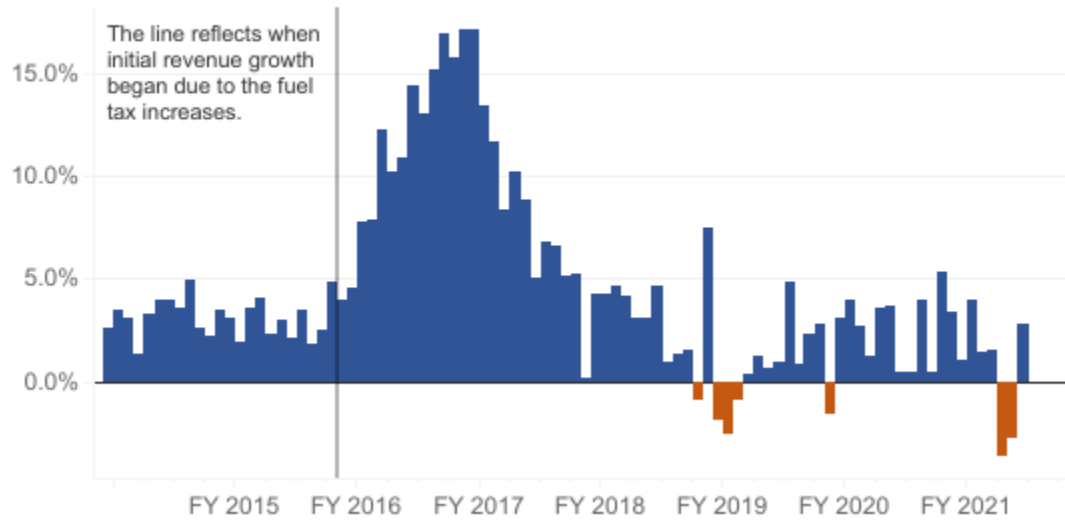
**Distributions.** Prior to distribution, the RUTF receipts are allocated to fund appropriations from the annual Transportation Appropriations Act, standing appropriations, and codified allocations. In December 2020, the Treasurer of State distributed \$167.6 million to allocations and appropriations. This included \$4.1 million to annual appropriations, \$13.1 million for statutory allocations and appropriations, and \$148.7 million to road funds. Additional information on distributions from the RUTF is available [here](#).

#### RUTF December Distributions

Off-the-Top Distributions		
	2020	2021
TIME-21	\$1,702,007	\$1,703,105
Statutory Distribution	\$10,514,798	\$13,124,899
Appropriations	\$3,932,863	\$4,073,591
Other Adjustments	\$0	(\$6)
Final RUTF Distributions		
Primary Road Fund	\$45,103,573	\$70,625,378
Secondary Road Fund - Counties	\$23,263,948	\$36,427,827
Farm-to-Market Road Fund	\$7,596,391	\$11,894,800
Street Construction Fund - Cities	\$18,990,978	\$29,737,001
<b>Grand Total</b>	<b>\$111,104,558</b>	<b>\$167,586,595</b>

**Year-Over-Year Comparison.** The chart below shows RUTF and TIME-21 Fund revenue growth based on a 12-month rolling total. The chart shows changes that resulted from the fuel tax increase in February 2015 and continued revenue growth from increased fuel consumption and growth in vehicle registration fees. On a 12-month rolling sum, revenue has begun to show a more consistent decline. The 12-month period that ended in November 2020 was up 2.7% compared to the 12-month period in November 2019.

Road Use Tax Fund and TIME-21 Fund — Revenue Growth by Month  
12-Month Rolling Total



LSA Staff Contacts: Austin Brinks (515.725.2200) [austin.brinks@legis.iowa.gov](mailto:austin.brinks@legis.iowa.gov)  
Adam Broich (515.281.8223) [adam.broich@legis.iowa.gov](mailto:adam.broich@legis.iowa.gov)

Doc ID 1207173