

## IS JET FUEL BURNING A HOLE IN YOUR STATE BUDGET?



estimated cost of tax breaks:

\$ **4.9**  
MILLION

estimated # of gallons for which the airlines receive a tax break:

**152**  
MILLION



Int'l flights **EXEMPT** from the \$0.032 per gallon jet fuel excise tax when immediate desination is foreign, or when continuing from a foreign origin and refueling in Alaska.  
**COST: \$4.9 million**

### MOTOR FUEL vs. JET FUEL (Effective State Fuel Tax Rate)

Car drivers buying an average gallon of gasoline:

\$ **0.12**

Commercial airlines buying a \$3 gallon of jet fuel:

\$ **0 - 0.032**

SOURCES:  
International Fuel Tax Break: <http://www.tax.alaska.gov/programs/documentviewer/viewer.aspx?204s>. Sec. 43.40.100.  
Cost of International Fuel Tax Break and Number of gallons airlines get a tax break on: Estimates based on 2013 jet fuel sales to end users data and from the Energy Information Administration (EIA) and commercial airline fuel use data from the Bureau of Transportation Statistics (BTS).  
Jet Fuel Tax Rate: <http://www.tax.alaska.gov/programs/programs/help/faq/faq.aspx?60210>. AK rules current as of June 20, 2014.  
Gasoline Tax Rate: Estimates from the American Petroleum Institute (API) based on average price earlier this year.