

IS JET FUEL BURNING A HOLE IN YOUR STATE BUDGET?



estimated cost of tax breaks:

\$35
MILLION

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

969
MILLION

Airlines get a **REFUND** on the jet fuel per gallon excise tax determined by the number of employees based in Florida.

COST: \$11 million

Int'l flights are **EXEMPT** from the jet fuel per gallon excise taxes.

COST: \$24 million

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

Car drivers buying an average gallon of gasoline:

\$0.36

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

\$0 - 0.0897

SOURCES:

Excise Tax Break: http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display_Statute&Search_String=&URL=0200-0299/0206/Sections/0206.9855.html.

International Fuel Tax Break: Email from Florida Department of Revenue Motor Fuel Tax Compliance Coordinator on April 29, 2014. FL rules current as of June 19, 2014.

Cost of Excise Tax Break: <http://www.dot.state.fl.us/officeofcomptroller/pdf/GAO/RevManagement/Tax%20Primer%202014%20JAN.pdf>. Page 4: Figure 3 - Florida's Transportation Tax Sources, "Airline in-state wage refunds."

Cost of International Fuel Tax Break and Number of gallons airlines get a tax break on: Estimates based on 2013 jet fuel prime supplier sales data from the Energy Information Administration and commercial airline fuel use data from the Bureau of Transportation Statistics.

Jet Fuel Tax Rate: Airlines pay the \$0.069 per gallon jet fuel excise tax but are eligible for a refund determined by the number of employees based in Florida.

<http://www.dot.state.fl.us/officeofcomptroller/pdf/GAO/RevManagement/Tax%20Primer%202014%20JAN.pdf>. Page 4: Figure 3 - Florida's Transportation Tax Sources. Airlines also pay the \$0.02068 cumulative pollutants tax rate when the relevant state funds need more funding. These fees are the Coastal Protection, Inland Protection and Water Quality Taxes, which equal \$0.08968. https://revenue.law.state.fl.us/LawLibrary/Documents/2013/12/TIP-117842_TIP%2013B05-01%20Fuel%20Tax%20Rates%202014%20-%20TIP%20and%20CHART%20FINAL.pdf.

International flights are tax exempt.

Gasoline Tax Rate: Estimates from the American Petroleum Institute (API) based on average price earlier this year.