

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



estimated cost of tax breaks:

**No**  
ESTIMATE

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

**248**  
MILLION



Airlines are **EXEMPT** from sales tax on fuel used out of state.

**COST: UNKNOWN**

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



Car drivers buying an average gallon of gasoline:

**\$0.20**



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

**\$0 - 0.27**

### SOURCES:

Fuel Used Out of State Tax Break: <http://www.legis.state.la.us/lss/lss.asp?doc=321778>. Airlines divide their Louisiana mileage by total mileage to determine what portion of purchases are subject to sales tax. LA rules current as of June 20, 2014.

Number of gallons airlines get a tax break on: Estimate based on 2013 jet fuel sales to end users data from the Energy Information Administration and commercial airline fuel use data from the BTS.

Jet Fuel Tax Rate: Louisiana state and combined average local sales tax rate is 8.89%.

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