

IS JET FUEL BURNING A HOLE IN YOUR STATE BUDGET?



estimated cost of tax breaks:

\$10.9
MILLION

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

69
MILLION



Int'l flights are **EXEMPT** from the \$0.158 per gallon jet fuel excise tax.

COST: \$10.9 million

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

Car drivers buying an average gallon of gasoline:

\$0.27

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

\$0 - 0.158

SOURCES:

International Fuel Excise Tax Break: <http://www.mass.gov/dor/businesses/help-and-resources/legal-library/regulations/64a-64c-64e-64f-64g-64j-94e-270-misc-excises/830-cmr-64j41-general-application-of-the.html>. (6) Tax Exempt Sales. MA rules current as of July 1, 2014.

Cost of International Fuel Tax Break and Number of gallons airlines get a tax break on: Estimate 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: <http://www.mass.gov/dor/docs/dor/business/taxguide/fuels/fuelsratecurr.pdf> Jet fuel rate is \$0.158 per gallon as of July 1, 2014. <http://www.mass.gov/dor/businesses/help-and-resources/legal-library/administrative-procedures/ap-113-jet-fuel-tax.html>. Boston is one of the localities to enact the tax.

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