

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



estimated cost of tax breaks:

\$ **.36**  
MILLION

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

**12**  
MILLION

Int'l flights are **EXEMPT** from the \$0.034 per gallon jet fuel excise tax when the immediate destination is foreign.

**COST: \$0.36 million**

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

Car drivers buying an average gallon of gasoline:

\$ **0.30**

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

\$ **0 - 0.041**

SOURCES:  
Excise Tax Break: <http://www.mainelegislature.org/legis/statutes/36/title36sec2903.html>. ME rules current as of June 20, 2014.  
Cost of Excise Tax Break: [http://www.maine.gov/revenue/research/tax\\_expenditure\\_report\\_13.pdf](http://www.maine.gov/revenue/research/tax_expenditure_report_13.pdf). Page 205; 2.134 Excise Tax Exemption on Jet or Turbojet Fuel.  
Number of gallons airlines get a tax break on: Estimate based on 2013 jet fuel prime supplier sales data from the Energy Information Administration (EIA) and commercial airline fuel use data from the Bureau of Transportation Statistics (BTS).  
Jet Fuel Tax Rate: In addition to the \$0.034 per gallon jet fuel excise tax, airlines pay \$0.0067 per gallon oil in conveyance fees.  
<http://www.maine.gov/dep/waste/oilconveyance/documents/fee%20table%201994-2014.pdf>  
Gasoline Tax Rate: Estimates from the American Petroleum Institute (API) based on average price earlier this year.