

IS JET FUEL BURNING A HOLE IN YOUR STATE BUDGET?



estimated cost of tax breaks:

\$ **.29**
MILLION

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

5
MILLION

Int'l flights are **EXEMPT** from the \$0.0525 per gallon jet fuel excise tax.

COST: \$0.29 million

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

Car drivers buying an average gallon of gasoline:

\$ **0.18**

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

\$ **0 - 0.0565**

SOURCES:

Excise Tax Break: <http://law.justia.com/codes/mississippi/2013/title-27/chapter-55/article-7/section-27-55-527>. MS rules current as of June 20, 2014.

Cost of Excise Tax Break and Number of gallons airlines get a tax break on: Estimates based on 2013 jet fuel sales to end users data 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.dor.ms.gov/info/faqs/GasolineandPetroleumFAQs.html>. The \$0.004 per gallon environmental fee will be reinstated on August 1, 2014 in addition to the \$0.0525 per gallon excise tax, http://www.dor.ms.gov/docs/petrol_noticeEPFreinstatement_080114.pdf.

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