

IS JET FUEL BURNING A HOLE IN YOUR STATE BUDGET?



estimated cost of tax breaks:

\$ **.22**
MILLION

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

19
MILLION

Airlines are **EXEMPT** from \$0.02 per gallon of the jet fuel excise tax.

COST: \$0.22 million

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

Car drivers buying an average gallon of gasoline:

\$ **0.28**

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

\$ **0.0275**

SOURCES:

Excise Tax Break: <http://leg.mt.gov/bills/mca/15/70/15-70-221.htm>. 15-70-221. Refund or credit authorized (5). MT rules current as of June 20, 2014.

Cost of Excise Tax Break: Airline Rebate Worksheet for 2013, emailed on June 5, 2014 from Montana Department of Transportation.

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 (EIA) and commercial airline fuel use data from the Bureau of Transportation Statistics (BTS).

Jet Fuel Tax Rate: <http://www.mdt.mt.gov/business/fueltax/faq.shtml>. General aviation fuel tax rate is \$0.04 per gallon, airlines only pay \$0.02. Airlines also pay \$0.0075 per gallon Petroleum Storage Cleanup Fee <http://www.mdt.mt.gov/business/fueltax/faq.shtml>.

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