

ACTION CALL

SUPPORT INCLUSION OF A PROVISION IN THE HIGHWAY BILL TO REPEAL THE FUEL FRAUD TAX

February 8, 2012

What's at Issue

NATA is seeking support for the inclusion of legislative language in H.R. 7, the American Energy and Infrastructure Jobs Act of 2012 (the Highway Bill) to repeal the "fuel fraud" provision.

Why It's Important

The fuel fraud provision, which was included in the 2005 Highway Bill, changed the collection of taxes for non-commercial aviation jet fuel and required the funds to be deposited into the Highway Trust Fund. This diversion of aviation fuel tax revenue has cost the Airport and Airway Trust Fund approximately \$50 million annually since the bill's enactment and is anticipated to cost another \$500 million over the next ten years. This policy has increased Highway Trust Fund revenues at the expense of the Airport and Airway Trust Fund. In addition, the burdensome process of filing for the 2.5-cent-per-gallon refund with the IRS has put an undue burden on aviation businesses although there is no substantial evidence to prove that fuel fraud is taking place.

What to Do

[Contact your Members of Congress in both the U.S. House of Representatives and the U.S. Senate today.](#) NATA's Legislative Action Center provides association members a quick, easy way to email letters directly to their Member of Congress.

NATA Position

The national airspace system has been unnecessarily deprived of funds needed to enhance safety and efficiency due to the fuel fraud provision mandating that funds be deposited in the Highway Trust Fund. It is imperative that all revenue from the taxes on jet fuel, used in aviation, is deposited in the Airport and Airway Trust Fund.

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Status

Much like the recently passed FAA Reauthorization Bill, H.R. 7 is moving quickly through both the U.S. House of Representatives and the U.S. Senate chambers. The House Committee on Transportation and Infrastructure approved the legislation and is awaiting the House Committee on Ways and Means to approve the tax title. It's crucial that NATA members write their legislators today in support of a provision to repeal the fuel fraud tax provision.

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