
Appropriations Committee

HB 1526

Brief Description: Dedicating aircraft excise tax revenue to the airport aid grant program.

Sponsors: Representatives Dent, Tharinger, Pike, Tarleton, Fagan, Van Werven, Hargrove, Orcutt, Harris, Condotta, Riccelli, Pettigrew, Takko, Lytton, Klippert, Johnson, Kochmar, Griffey, McCabe, Manweller, Moscoso and Young.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Redirects proceeds of the aircraft excise tax to the Aeronautics Account.• Dedicates those proceeds to the Airport Aid Grant Program.
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Hearing Date: 2/4/15

Staff: Dave Johnson (786-7154).

Background:

An annual excise tax is levied for using an aircraft in the state. The tax varies from \$20 for a sailplane to \$4,000 for a larger aircraft operated by a commuter air carrier. Proceeds of the aircraft excise tax are split with 90 percent deposited in the State General Fund and 10 percent deposited in the Aeronautics Account.

The State General Fund is the principal fund supporting the omnibus operating budget. Major revenue sources include, but are not limited to, the state sales tax, the state property tax and the state business and occupations tax. The Aeronautics Account is a dedicated account administered by the Department of Transportation. Revenue sources include aircraft fuel excise taxes and a portion of aircraft excise tax collections.

The state provides financial assistance to local airports through the Aviation Airport Aid Grant program administered by the Department of Transportation. In 2014, airport aid grants were provided to 25 airports. The grants awarded in 2014 totaled \$10.8 million—\$1.8 million in state funding combined with \$9 million in federal and local funds.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill:

All proceeds of the aircraft excise tax are deposited in the Aeronautics Account. All proceeds deposited into the Aeronautics Account from the aircraft excise tax, including any interest and penalties, may only be used to fund the administration and operation of the Aviation Airport Aid Grant program.

Appropriation: None.

Fiscal Note: Available.

Effective Date: This bill takes effect 90 days after adjournment of the session in which the bill is passed, except that the act applies to taxes collected after July 1, 2015.