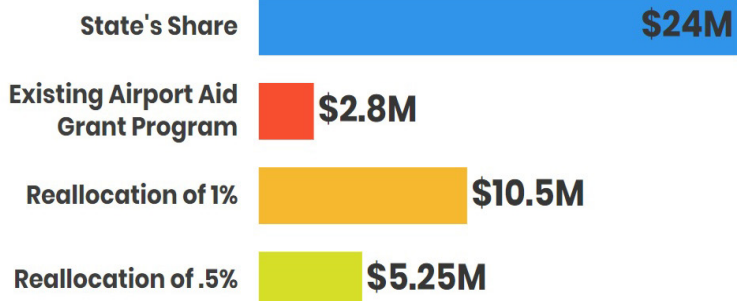


# DISTRIBUTION OF AVIATION FUEL SALES TAX

**WASHINGTON STATE** has **135 airports** that contribute over **\$540 million** in tax revenues annually, and are responsible for **248,500 jobs**, supporting the state economy.

According to a 2014 WSDOT study, funding for maintaining and updating these airports is **underfunded by \$3.56 billion over the next 20 years**, with a state funding share of over **\$241 million** (\$24 million per biennium).

Estimated available state funding over those same 20 years may total only **\$2.8 million** per biennium.

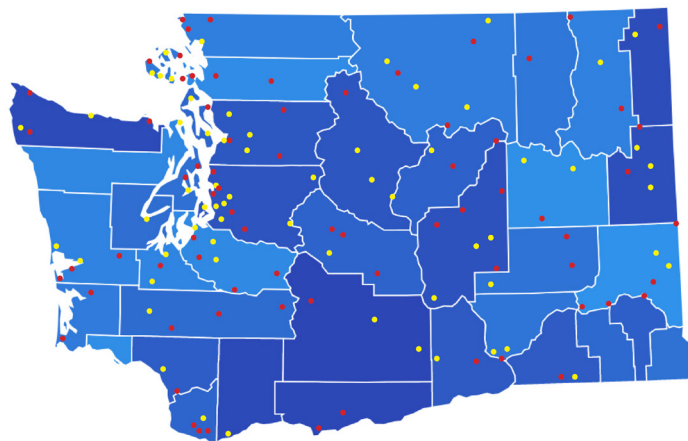


✈ The state is expected to contribute **\$241 million** over 20 years, (\$24 million per biennium).

✈ The bill proposes a reallocation of up to 1% of the aviation fuel tax to reduce that amount through strategic use of funds to qualify for federal match and increase local tax revenue.

## HB 1457

SEEKS TO REDUCE THE INFRASTRUCTURE FUNDING GAP BY REALLOCATING UP TO **1% OF THE AVIATION FUEL SALES TAX** FROM THE GENERAL FUND FOR AIRPORT MAINTENANCE AND UPDATES.



- ✈ Increases opportunities for rural economic development through airport enhancements
- ✈ Leverages **\$134.1 million** (biennially) in Federal Aviation Administration (FAA) grant funding
- ✈ Results in **\$152.2 million** (biennially) for much-needed airport preservation and safety projects (when combined with local matching and federal grant dollars).
- ✈ Returns **\$10.6 million** (biennially) in revenue **to the state's general fund** (sales and B&O taxes), more than the original amount reallocated
- ✈ Enables funding for air cargo development and loan funding for aviation.

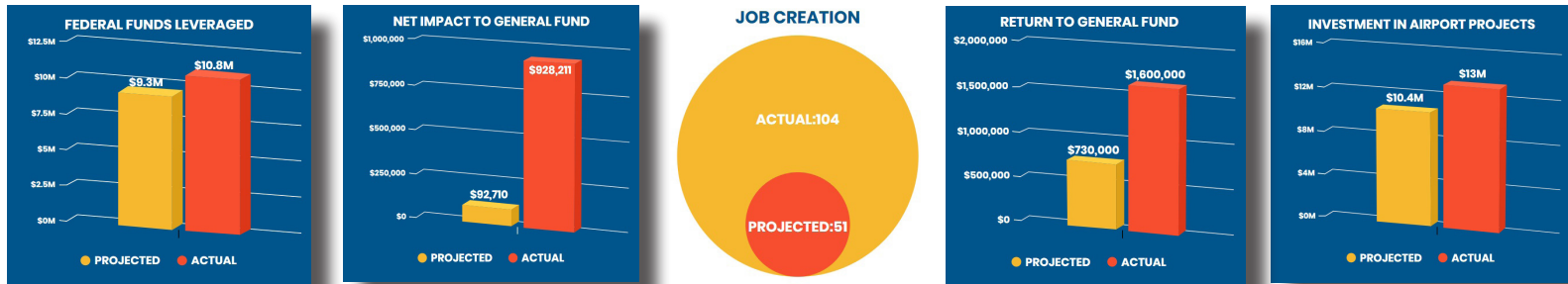
## ORGANIZATIONS IN SUPPORT



# THIS PLAN IS BUILT ON A SUCCESSFUL MODEL

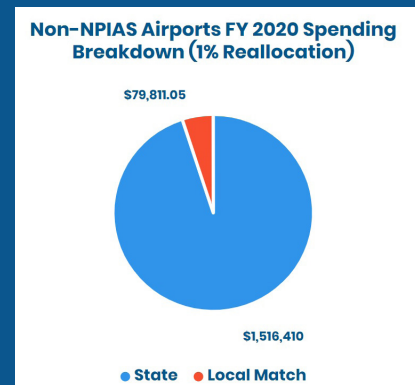
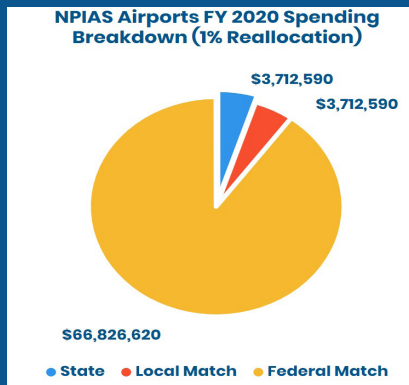
## 2015 AIRCRAFT EXCISE TAX REALLOCATION RESULTS

- ✈️ 2015's Aircraft Excise Tax reallocation resulted in 24 additional airport projects being funded, created more jobs, more investment in airport projects and a higher amount returned to the general fund than projected.
- ✈️ However, WSDOT was still unable to provide half the total matching grant funds required for airports to leverage federal match funds for projects.



## BENEFITS OF HB 1457: REDUCES FUNDING GAP & INCREASES RETURN TO THE GENERAL FUND

- ✈️ These funds will be used to leverage additional Federal Aviation Administration Airport Improvement Program (AIP) grants at a 90/10 federal-local split.



- ✈️ The reallocation would result in increased revenue to the general fund due to the increased collection of sales and B&O taxes that result from the aviation infrastructure projects themselves.

