

**REVENUE IMPACT OF
PROPOSED LEGISLATION**
Seventy-Eighth Oregon Legislative
Assembly
2015 Regular Session
Legislative Revenue Office

Bill Number: HB 2075 - 5
Revenue Area: Aviation Fuels
Economist: Mazen Malik
Date: 05-26-2015

*Only Impacts on Original or Engrossed
Versions are Considered Official*

Measure Description:

Increases aircraft fuel taxes. Jet fuel, Avgas and Mo-Gas by 2 cents starting 1/1/2016 then sunset the increase by the end of 2021.

Revenue Impact (in \$Millions):

	BI 15-17	BI 17-19	BI 19-21
AVGAS	\$0.08	\$0.12	\$0.12
Jet Fuel	\$5.20	\$7.43	\$7.61
Mo Gas	\$0.04	\$0.05	\$0.05
Total Revenue	\$5.32	\$7.61	\$7.77

Impact Explanation:

The Tax increase for the jet fuel, Avgas and Mo-gas takes effect on 1/1/2016 and sunsets on 1/1/ 2022. Establishes a mechanism for projects and grants to be funded and delegates the funding to a review committee while introducing a prioritization criterion. The measure allows the department of aviation to use 5% of the revenue for administering these programs. 50% of the remaining revenue will be used for airport assistant (FAA matches). Grants for emergency preparedness according to the Oregon Resilience Plan, and grants for essential aviation services, and development with the priority for a bigger match projects. 25% of the revenue for commercial air service to rural Oregon, and the last 25% to state airports for safety and infrastructures projects. The measure finally requires robust and comprehensive reports every session and once in the interim.

Creates, Extends, or Expands Tax Expenditure: Yes No