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18 June 2019

Joint Committee on Revenue  
24 Beacon Street  
Hearing Room B-2  
Boston, MA 02133

**Re: H.2592, Local Option Gasoline and Diesel Fuel Excise Tax**

Honorable Chairmen Senator Hinds, Representative Cusack, and esteemed members of the Revenue Committee,

The Aircraft Owners & Pilots Association (AOPA) is the world's largest aviation membership organization representing the general aviation interests of 330,000 aircraft owners and pilots across the country, including 5,122 from the Commonwealth of Massachusetts. On behalf of these members AOPA opposes House Bill 2592, a *Local Option Gasoline and Diesel Fuel Excise Tax*.

H.2592 proposes to provide local municipalities with the option to impose up to an additional 5 cent excise tax on fuels and special fuels as defined by Chapter 64 of the Massachusetts General Laws. "Fuels" as defined by Chapter 64A includes aviation gasoline. Massachusetts currently imposes a 49 cent per gallon (cpg) excise tax on aviation gasoline—one of the highest rates in the nation—H.2592 aims to inflate this rate by an additional 5 cpg.

Federal mandate obligates that all revenues derived from taxes on aviation fuels (to include aviation gasoline and jet fuel) must return to the airport where distributed or to the state's system of airports. Any additional revenues generated by the proposed new tax are obligated to return to aviation and cannot be used for any non-aeronautical purpose. To ensure compliance with this mandate, Massachusetts deposits all aviation-fuel revenues into a dedicated state aviation trust fund. These funds are then distributed by the Aeronautics Division of the Department of Transportation for eligible infrastructure projects at the state's 39 public use airports.

Across the country, fuel sales serve as a primary source of revenue for the majority of general aviation airports and Fixed Base Operators (FBOs). As aircraft owners and pilots are notoriously frugal, fuel is competitively priced between airports within a region. If one municipality imposes an additional 5 cents and those of neighboring airports do not, the given airport could be greatly disadvantaged. Unlike with automobiles where fuel burn is measured in miles per gallon, aircraft measure aviation gasoline (or avgas) in 'gallons per hour'. Because aircraft burn significantly more fuel per unit of time than do cars, the average owner pays into the state's system at a significantly higher rate than the average car owner. Aircraft are naturally mobile assets. While convenience is a chief concern, expense is always the principle motivator into choosing where to fuel-up. A local option excise tax stands to upset this delicate balance and bring with it potentially drastic consequences for that airport and/or its fuel-retailing tenant.

For these reasons AOPA opposes H.2592 and requests that the Committee find this proposal not favorable or amend it to explicitly exclude aviation gasoline.

Thank you for your time and consideration of this important matter. AOPA is committed to ensuring the safety, future viability, and development of general aviation as an integral part of a national transportation system. We welcome the opportunity to continue serving this Committee as a resource on matters affecting general aviation.

Sincerely,

A handwritten signature in black ink, appearing to read "Sean M. Collins", is centered on a light-colored rectangular background.

Sean M. Collins, AOPA  
Eastern Regional Manager