

HCS HB 2303 -- AVIATION TAXATION

SPONSOR: Roberts (161)

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Ways and Means by a vote of 6 to 0 with 1 voting Present. Voted "Do Pass" by the Standing Committee on Rules-Legislative Oversight by a vote of 7 to 3.

The following is a summary of the House Committee Substitute for HB 2303.

This bill adds "qualified air freight forwarders", as defined in the bill, to the definition of "corporation" as a transportation corporation for the purposes of corporate income allocation (Section 143.441, RSMo).

This provision of the bill is similar to HB 2213 (2019).

Currently, if a common carrier has first paid applicable sales and use tax to the purchase, storage, or consumption of the fuel in an amount of \$1.5 million in the year, then an exemption is granted on subsequent sales of aviation jet fuel in the given year to common carriers engaged in the interstate air transportation of passengers and cargo. Additionally, all sales and use tax revenues from aviation jet fuel received less the amounts designated as defined in the bill, will be deposited to the credit of the Aviation Trust Fund provided that the trust fund not exceed \$10 million.

This bill extends, from December 31, 2023, to December 31, 2033, the expiration date of the provisions regarding the exemption and such funding to the Aviation Trust Fund (Section 144.805).

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that the funding of the Aviation Trust Fund is critical to small airports throughout the state which do not meet the threshold for state funding. Additionally, supporters say that this bill provides certainty for those who use the fund by extending the sunset for another 10 years.

Testifying for the bill were Representative Roberts; Burns and McDonnell; St. Louis Lambert Airport; Missouri Department of Transportation; Dennis Wiss, St Charles County Airport; Brian Weiler, Springfield-Branson National Airport; Steve Stockman, Joplin Regional Airport; City of Kansas City.

OPPONENTS: There was no opposition voiced to the committee.