

FOR IMMEDIATE RELEASE

June 1, 2018

Department of Revenue to Stop Collection of Certain

Local Sales and Use Taxes on Retail Sales of Jet Fuel

The Department of Revenue today issued Policy Bulletin SUT-2018-03, instructing vendors to stop collecting certain local sales and use taxes on retail sales of jet fuel which were enacted after December 30, 1987.

This action brings Georgia into compliance with Federal law and Federal Aviation Administration (FAA) policies which address the use of taxes on aviation fuel.

The Federal Aviation Administration (FAA) has made clear that state and local jurisdictions may be penalized for imposing taxes on aviation fuel that are not appropriately used for airport purposes.

"Today's action ensures that Georgia will be in compliance with Federal regulations and avoids the possibility of significant sanctions both on the state and local jurisdictions," said Commissioner Lynne Riley. "The Department is taking this action to preserve the tens of millions of dollars of annual Federal airport assistance."

The policy will go into effect on July 1, 2018. Vendors must continue to collect grandfathered local sales and use taxes on retail sales of jet fuel as shown in the chart attached to the policy bulletin.

The bulletin, in its entirety, may be found on the Department's <u>website</u>.

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