

103D CONGRESS  
1ST SESSION

# S. 769

To prohibit any increase in the tax on the sale of certain aviation fuel, and to prohibit any tax on such fuel or on the energy content of petroleum or petroleum products used in the production of such fuel.

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## IN THE SENATE OF THE UNITED STATES

APRIL 2 (legislative day, MARCH 3), 1993

Mr. DANFORTH (for himself, Mr. MURKOWSKI, Mr. STEVENS, Mr. HATCH, Mr. GORTON, and Mr. MCCAIN) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To prohibit any increase in the tax on the sale of certain aviation fuel, and to prohibit any tax on such fuel or on the energy content of petroleum or petroleum products used in the production of such fuel.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

### 3 **SECTION 1. PROHIBITION.**

4 Notwithstanding any other law, there shall be—

5 (1) no increase in the tax under section 4091  
6 of the Internal Revenue Code of 1986 (26 U.S.C.  
7 4091), as in effect on January 1, 1993, on the sale  
8 of—

1 (A) jet aviation fuel, when such fuel is sold  
2 to a registered commercial aircraft operator  
3 which uses it to transport passengers or cargo;  
4 or

5 (B) non-jet aviation fuel; and

6 (2) no direct or indirect tax on—

7 (A) jet aviation fuel, or the energy content  
8 of petroleum or petroleum products used in the  
9 production of jet aviation fuel, when such fuel  
10 is sold to a registered commercial aircraft oper-  
11 ator which utilizes it to transport passengers or  
12 cargo; or

13 (B) non-jet aviation fuel or the energy con-  
14 tent of petroleum or petroleum used in the pro-  
15 duction of non-jet aviation fuel.

16 **SEC. 2. RIGHT TO RECLAIM.**

17 If a registered commercial aircraft operator pur-  
18 chases aviation fuel on which a Federal excise or energy  
19 tax was paid by a prior owner of such fuel, or the petro-  
20 leum from which such aviation fuel was produced, such  
21 commercial aircraft operator will be permitted to reclaim  
22 any excise or energy tax attributable to such fuel if such  
23 fuel is used to transport passengers or cargo.

24 **SEC. 3. DEFINITION.**

25 In this Act—

1           (1) The term “jet aviation fuel” means any  
2           aviation fuel within the meaning of section  
3           4092(a)(3) of the Internal Revenue Code of 1986  
4           (26 U.S.C. 4092(a)(3)), as in effect on January 1,  
5           1993, that is suitable for use as a fuel in a jet  
6           aircraft.

7           (2) The term “non-jet aviation fuel” means any  
8           aviation fuel within the meaning of such section  
9           4092(a)(3) that is not jet aviation fuel.

10          (3) The term “registered commercial aircraft  
11          operator” means any operator of aircraft used in a  
12          business of transporting persons or property for  
13          compensation or hire by air which is registered with  
14          the Secretary of the Treasury pursuant to sections  
15          4101(a) and 4093(c)(3) of the Internal Revenue  
16          Code of 1986 (26 U.S.C. 4101(a) and 4093(c)(3)),  
17          as in effect on January 1, 1993.

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