

# Airport and Airway Trust Fund (AATF)

## Fact Sheet



**Federal Aviation  
Administration**



# AATF History

- Created by the Airport and Airway Development and Revenue Act of 1970 to finance aviation programs
  - Revenues are derived from aviation-related excise taxes on passengers, cargo, and fuel
  - Provides funding for capital improvements to the U.S. airport and airways system
  - Provides the majority of funding for the Federal Aviation Administration
    - 66.6% in FY 2010
    - 68.8% in FY 2011
    - 71.1% in FY 2012
    - 71.5% in FY 2013



# AATF Funds these Accounts

- FAA accounts:
  - Operations (funded by the General Fund and AATF)
  - Facilities and Equipment<sup>1</sup>
  - Research, Engineering, and Development
  - Grants-in-Aid for Airports<sup>1</sup>
- DOT accounts:
  - Essential Air Services (EAS)

<sup>1</sup> The General Fund can also contribute to Facilities & Equipment and Airports accounts. An example includes the American Recovery and Reinvestment Act of 2009 (ARRA)



# FAA Accounts & AATF Funding

Dollars in thousands

| ACCOUNT NAME                                   | FY 2010<br>ACTUAL   | FY 2011<br>ACTUAL   | FY 2012<br>ACTUAL   | FY 2013<br>ACTUAL <sup>1</sup> | FY 2014<br>BUDGET<br>REQUEST |
|--|---------------------|---------------------|---------------------|--------------------------------|------------------------------|
| <b>Operations</b>                              | <b>\$9,350,028</b>  | <b>\$9,513,962</b>  | <b>\$9,653,395</b>  | <b>\$9,395,665</b>             | <b>\$9,707,000</b>           |
| General  | \$5,350,028         | \$4,964,080         | \$4,592,701         | \$4,599,428                    | \$3,223,000                  |
| AATF   | \$4,000,000         | \$4,549,882         | \$5,060,694         | \$4,796,237                    | \$6,484,000                  |
| <b>Facilities &amp; Equipment</b>              |                     |                     |                     |                                |                              |
| AATF   | <b>\$2,936,203</b>  | <b>\$2,730,731</b>  | <b>\$2,730,731</b>  | <b>\$2,622,197</b>             | <b>\$2,777,798</b>           |
| <b>Research, Engineering &amp; Development</b> |                     |                     |                     |                                |                              |
| AATF   | <b>\$190,500</b>    | <b>\$169,660</b>    | <b>\$167,556</b>    | <b>\$158,792</b>               | <b>\$166,000</b>             |
| <b>Grants in Aid for Airports</b>              |                     |                     |                     |                                |                              |
| Contract Authority (AATF)                      | <b>\$3,515,000</b>  | <b>\$3,515,000</b>  | <b>\$3,350,000</b>  | <b>\$3,343,300</b>             | <b>\$2,900,000</b>           |
| <b>TOTAL:</b>                                  | <b>\$15,991,731</b> | <b>\$15,929,353</b> | <b>\$15,901,682</b> | <b>\$15,266,954</b>            | <b>\$15,550,798</b>          |
| <b>[General]</b>                               | \$5,350,028         | \$4,964,080         | \$4,592,701         | \$4,599,428                    | \$3,223,000                  |
| <b>[AATF]</b>                                  | \$10,641,703        | \$10,965,273        | \$11,308,981        | \$10,920,525                   | \$12,327,798                 |

<sup>1</sup> Includes sequestration

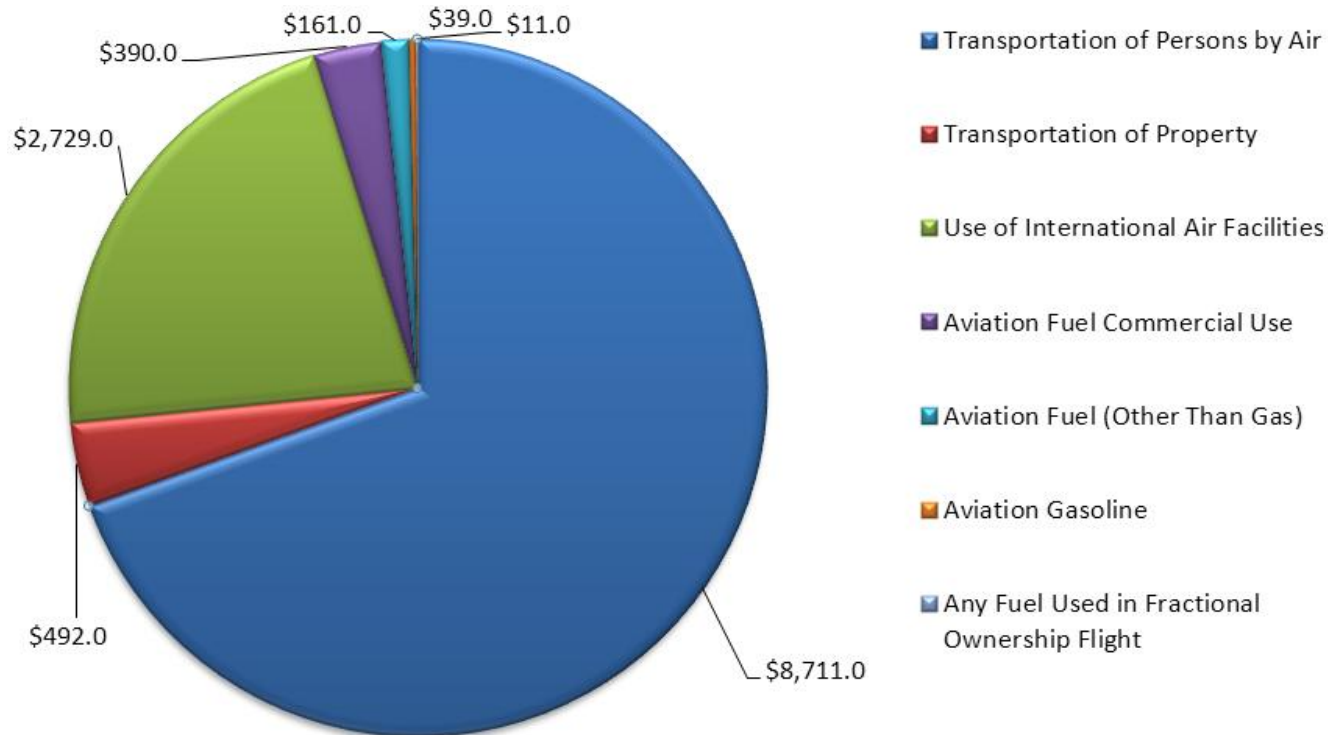


# AATF Taxes – Types and Rates

| Tax Type   | Tax Rate   |
|--|--|
| Transportation of persons by air <ul style="list-style-type: none"> <li>▪ Domestic Ticket Tax (ad valorem tax)</li> <li>▪ Domestic flight segment tax (a flight segment is one takeoff and one landing)</li> </ul> | <ul style="list-style-type: none"> <li>▪ 7.5 percent of ticket price (or amounts paid for the right to provide mileage awards)</li> <li>▪ \$3.90 (indexed) per segment during 2013 (does not apply to flights to and from rural airports)</li> </ul> |
| Use of international air facilities tax (flat tax that applies to passengers arriving or departing for foreign destinations that are not subject to the domestic ticket tax)                                       | \$17.20 (indexed) per arrival / departure during 2013 (\$8.60 (indexed) for departures from Alaska and Hawaii)   |
| Transportation of property by air (ad valorem tax)   | 6.25 percent of amount paid for the transportation of property by air  |
| Noncommercial aviation fuel  | Aviation gasoline: 19.3 cents per gallon<br>Other aviation fuel: 21.8 cents per gallon<br>Fractional ownership program: 14.1 cents per gallon surcharge  |
| Commercial aviation fuel   | 4.3 cents per gallon   |

# AATF Taxes – FY 2012 Actuals

(in millions)



**Total Tax Revenue: \$12,532 million**