107TH CONGRESS
2D SESSION

H. R. 5660

To amend the Internal Revenue Code of 1986 to reduce the tax on aviation
fuel.

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IN THE HOUSE OF REPRESENTATIVES

OCTOBER 16, 2002

Mr. COLLINS introduced the following bill; which was referred to the
Committee on Ways and Means

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A BILL

To amend the Internal Revenue Code of 1986 to reduce
the tax on aviation 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. SHORT TITLE.**

4   This Act may be cited as the "Aviation Fuel Tax Re-

5 lief Act of 2002".

6 **SEC. 2. REPEAL OF 1993 INCREASES IN AVIATION FUEL**

7   **TAXES.**

8   (a) IN GENERAL.—Paragraph (1) of section 4091(b)

9 of the Internal Revenue Code of 1986 is amended by strik-

10 ing "21.8 cents" and inserting "17.5 cents".

1 (b) TECHNICAL AMENDMENTS.—

2 (1) Subparagraph (A) of section 4091(b)(3) of

3 such Code is amended to read as follows:

4 "(A) The rate of tax specified in para-

5 graph (1) shall be zero after September 30,

6 2007."

7 (2) Paragraph (1) of section 4091(c) of such

8 Code is amended—

9 (A) by striking "14 cents" and inserting

10 "9.7 cents",

11 (B) by striking "13.3 cents" and inserting

12 "9 cents",

13 (C) by striking "13.2 cents" and inserting

14 "8.9 cents",

15 (D) by striking "13.1 cents" and inserting

16 "8.8 cents", and

17 (E) by striking "13.4 cents" and inserting

18 "9.1 cents".

19 (3) Subsection (c) of section 4091 of such Code

20 is amended by striking paragraph (4), and by redes-

21 ignating paragraph (5) as paragraph (4).

22 (4) Subsection (b) of section 4092 of such Code

23 is amended by striking "attributable to" and all that

24 follows and inserting "attributable to the Leaking

25 Underground Storage Tank Trust Fund financing

1   rate imposed by such section. For purposes of the

2   preceding sentence, the term 'commercial aviation'

3   means any use of an aircraft other than in non-

4   commercial aviation (as defined in section

5   4041(c)(2)).''

6   (5) Paragraph (4) of section 6427(l) of such

7   Code is amended by striking ''attributable to'' and

8   all that follows through the period and inserting ''at-

9   tributable to the Leaking Underground Storage

10   Tank Trust Fund financing rate imposed by such

11   section.''

12   (c) EFFECTIVE DATE.—The amendments made by

13   this section shall take effect on the date of the enactment

14   of this Act.

15   (d) FLOOR STOCK REFUNDS.—

16   (1) IN GENERAL.—If—

17   (A) before the date of the enactment of

18   this Act, tax has been imposed under section

19   4091 of the Internal Revenue Code of 1986 on

20   any liquid, and

21   (B) on such date such liquid is held by a

22   dealer and has not been used and is intended

23   for sale,

24   there shall be credited or refunded (without interest)

25   to the person who paid such tax an amount equal to

1   the excess of the tax paid by the taxpayer over the

2   amount of such tax which would be imposed on such

3   liquid had the taxable event occurred on such date.

4   (2) TIME FOR FILING CLAIMS.—No credit or re-

5   fund shall be allowed or made under this subsection

6   unless—

7   (A) claim therefor is filed with the Sec-

8   retary of the Treasury before the date which is

9   6 months after the date of the enactment of

10   this Act, based on a request submitted to the

11   taxpayer before the date which is 3 months

12   after such date of enactment, by the dealer who

13   held the liquid on such date of enactment, and

14   (B) the taxpayer has repaid or agreed to

15   repay the amount so claimed to such dealer or

16   has obtained the written consent of such dealer

17   to the allowance of the credit or the making of

18   the refund.

19   (3) EXCEPTION FOR FUEL HELD IN RETAIL

20   STOCKS.—No credit or refund shall be allowed under

21   this subsection with respect to any liquid in retail

22   stocks held at the place where intended to be sold

23   at retail.

24   (4) DEFINITIONS.—For purposes of this sub-

25   section, the terms "dealer" and "held by a dealer"

1 have the respective meanings given to such terms by

2 section 6412 of such Code.

3 　　(5) CERTAIN RULES TO APPLY.—Rules similar

4 to the rules of subsections (b) and (c) of section

5 6412 of such Code shall apply for purposes of this

6 subsection.

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