

SHORT TITLE OF 1970 AMENDMENT

Pub. L. 91-258, title II, § 201(a), May 21, 1970, 84 Stat. 236, provided that: "This title [enacting sections 4271, 4272, 4281, 4282, 4491 to 4494, 6426, 6427, and 7275 of this title and section 1742 of former Title 49, Transportation, amending this section and sections 39, 874, 4082, 4261, 4262, 4291 to 4294, 6156, 6201, 6206, 6401, 6415, 6416, 6420, 6421, 6424, 6675, 7210, and 7603 to 7605 of this title, repealing former section 4263 of this title, enacting provisions set out as notes under section 104 of Title 4, Flag and Seal, Seat of Government, and the States, and section 1742 of former Title 49, and amending provision set out as a note under section 120 of Title 23, Highways] may be cited as the 'Airport and Airway Revenue Act of 1970'."

SHORT TITLE OF 1956 AMENDMENTS

Act June 29, 1956, ch. 462, title II, § 201(a), 70 Stat. 387, provided that: "This title [enacting sections 173 and 174 of Title 23, Highways, and sections 4426, 4481 to 4484 of this title, amending this section and sections 4061, 4071, 4072, 4073, 4081, 4084, 6206, 6412, 6416, 6504, 6511, 6612, 6675, 7210, 7603, 7604, and 7605 of this title, and renumbering sections 4227 and 6422 of this title] may be cited as the 'Highway Revenue Act of 1956'."

Act Mar. 29, 1956, ch. 115, § 1, 70 Stat. 66, provided: "That this Act [amending this section and sections 11, 821, 4061, 4081, 5001, 5022, 5041, 5051, 5063, 5134, 5701, 5701 note, 5707, and 6412 of this title] may be cited as the 'Tax Rate Extension Act of 1956'."

SHORT TITLE OF 1955 AMENDMENT

Act Mar. 30, 1955, ch. 18, § 1, 69 Stat. 14, provided: "That this Act [amending this section and sections 11, 821, 4061, 4081, 5001, 5022, 5041, 5051, 5063, 5134, 5701, 5701 note, 5707, and 6412 of this title] may be cited as the 'Tax Rate Extension Act of 1955'."

DELAYED DEPOSITS OF HIGHWAY MOTOR FUEL TAX REVENUES

Due date for deposit of taxes imposed by this section which would be required to be made after July 31, 1998, and before Oct. 1, 1998, to be Oct. 5, 1998, see section 901(e) of Pub. L. 105-34, set out as a note under section 6302 of this title.

FLOOR STOCKS TAXES

Pub. L. 101-508, title XI, § 11213(b)(5), Nov. 5, 1990, 104 Stat. 1388-434, imposed a floor stocks tax on aviation fuel on which tax was imposed under section 4041(c)(1) or 4091 of this title before Dec. 1, 1990, and which was held on such date by any person.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101-1147 and 1171-1177] or title XVIII [§§ 1800-1899A] of Pub. L. 99-514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99-514, as amended, set out as a note under section 401 of this title.

STUDY BY SECRETARY OF THE TREASURY; REPORT TO CONGRESS

Pub. L. 96-451, title II, § 204, Oct. 14, 1980, 94 Stat. 1988, directed Secretary of the Treasury, after consultation with Secretary of department in which Coast Guard was operating, to conduct a study to determine portion of taxes imposed by sections 4041(b) and 4081 of the Internal Revenue Code of 1954 which were attributable to fuel used in recreational motorboats, and to report to Congress on his findings under such study, not later than 2 years after Oct. 14, 1980.

STUDY OF IMPORTED ALCOHOL BY SECRETARY OF THE TREASURY

Pub. L. 96-223, title II, § 232(f), Apr. 2, 1980, 94 Stat. 280, required, within 180 days after Apr. 2, 1980, Sec-

retary of the Treasury to furnish specific congressional committees recommendations for limiting import of alcohol into United States for fuel purposes.

REPORTS ON USE OF ALCOHOL IN FUEL

Pub. L. 95-618, title II, § 221(c), Nov. 9, 1978, 92 Stat. 3185, as amended by Pub. L. 96-223, § 232(g), Apr. 2, 1980, 94 Stat. 280; Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: "On April 1 of each year, beginning with April 1, 1981, and ending with April 1, 1992, the Secretary of Energy, in consultation with the Secretary of the Treasury and the Secretary of Transportation, shall submit to the Congress a report on the use of alcohol in fuel. The report shall include—

"(1) a description of the firms engaged in the alcohol fuel industry,

"(2) the amount of alcohol fuel sold in each State, and the amount of gasoline saved in each State by reason of the use of alcohol fuels,

"(3) the revenue loss resulting from the exemptions from tax for alcohol fuels under sections 4041(k) and 4081(c) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954] and the credit allowable under section 44E [now 40] of such Code and the impact of such revenue loss on the Highway Trust Fund, and

"(4) the cost of production and the retail cost of alcohol fuels as compared to gasoline and special fuels not mixed with alcohol."

§ 4042. Tax on fuel used in commercial transportation on inland waterways**(a) In general**

There is hereby imposed a tax on any liquid used during any calendar quarter by any person as a fuel in a vessel in commercial waterway transportation.

(b) Amount of tax**(1) In general**

The rate of the tax imposed by subsection (a) is the sum of—

(A) the Inland Waterways Trust Fund financing rate, and

(B) the Leaking Underground Storage Tank Trust Fund financing rate.

(2) Rates

For purposes of paragraph (1)—

(A) The Inland Waterways Trust Fund financing rate is 29 cents per gallon.

(B) The Leaking Underground Storage Tank Trust Fund financing rate is 0.1 cent per gallon.

(3) Exception for fuel on which Leaking Underground Storage Tank Trust Fund financing rate separately imposed

The Leaking Underground Storage Tank Trust Fund financing rate under paragraph (2)(B) shall not apply to the use of any fuel if tax was imposed with respect to such fuel under section 4041(d) or 4081 at the Leaking Underground Storage Tank Trust Fund financing rate.

(4) Termination of Leaking Underground Storage Tank Trust Fund financing rate

The Leaking Underground Storage Tank Trust Fund financing rate under paragraph (2)(B) shall not apply during any period during which the Leaking Underground Storage Tank Trust Fund financing rate under section 4081 does not apply.

(c) Exemptions**(1) Deep-draft ocean-going vessels**

The tax imposed by subsection (a) shall not apply with respect to any vessel designed primarily for use on the high seas which has a draft of more than 12 feet.

(2) Passenger vessels

The tax imposed by subsection (a) shall not apply with respect to any vessel used primarily for the transportation of persons.

(3) Use by State or local government in transporting property in a state or local business

Subparagraph (B) of subsection (d)(1) shall not apply with respect to use by a State or political subdivision thereof.

(4) Use in moving lash and seabee ocean-going barges

The tax imposed by subsection (a) shall not apply with respect to use for movement by tug of exclusively LASH (Lighter-aboard-ship) and SEABEE ocean-going barges released by their ocean-going carriers solely to pick up or deliver international cargoes.

(d) Definitions

For purposes of this section—

(1) Commercial waterway transportation

The term “commercial waterway transportation” means any use of a vessel on any inland or intracoastal waterway of the United States—

(A) in the business of transporting property for compensation or hire, or

(B) in transporting property in the business of the owner, lessee, or operator of the vessel (other than fish or other aquatic animal life caught on the voyage).

(2) Inland or intracoastal waterway of the United States

The term “inland or intracoastal waterway of the United States” means any inland or intracoastal waterway of the United States which is described in section 206 of the Inland Waterways Revenue Act of 1978.

(3) Person

The term “person” includes the United States, a State, a political subdivision of a State, or any agency or instrumentality of any of the foregoing.

(e) Date for filing return

The date for filing the return of the tax imposed by this section for any calendar quarter shall be the last day of the first month following such quarter.

(Added Pub. L. 95-502, title II, §202(a), Oct. 21, 1978, 92 Stat. 1696; amended Pub. L. 99-499, title V, §521(a)(3), Oct. 17, 1986, 100 Stat. 1777; Pub. L. 99-662, title XIV, §1404(a), Nov. 17, 1986, 100 Stat. 4270; Pub. L. 100-647, title II, §2002(a)(2), Nov. 10, 1988, 102 Stat. 3597; Pub. L. 103-66, title XIII, §13241(d), Aug. 10, 1993, 107 Stat. 510; Pub. L. 108-357, title II, §241(b), Oct. 22, 2004, 118 Stat. 1438; Pub. L. 110-172, §6(d)(1)(B), Dec. 29, 2007, 121 Stat. 2480; Pub. L. 113-295, div. B, title II, §205(a), Dec. 19, 2014, 128 Stat. 4065; Pub. L. 115-141, div.

U, title IV, §401(b)(40), (41), Mar. 23, 2018, 132 Stat. 1204.)

Editorial Notes

REFERENCES IN TEXT

Section 206 of the Inland Waterways Revenue Act of 1978, referred to in subsec. (d)(2), is section 206 of Pub. L. 95-502, title II, Oct. 21, 1978, 92 Stat. 1700, which is classified to section 1804 of Title 33, Navigation and Navigable Waters.

PRIOR PROVISIONS

A prior section 4042, act Aug. 16, 1954, ch. 736, 68A Stat. 478, provided a cross reference to section 4222 of this title for exemption from tax where special motor fuels are sold for use for certain vessels, prior to repeal by Pub. L. 94-455, title XIX, §1904(a)(1)(D), Oct. 4, 1976, 90 Stat. 1811.

AMENDMENTS

2018—Subsec. (b)(1)(C). Pub. L. 115-141, §401(b)(40), struck out subpar. (C) which read as follows: “the deficit reduction rate.”

Subsec. (b)(2)(C). Pub. L. 115-141, §401(b)(41), struck out subpar. (C) which read as follows: “The deficit reduction rate is—

“(i) 3.3 cents per gallon after December 31, 2004, and before July 1, 2005,

“(ii) 2.3 cents per gallon after June 30, 2005, and before January 1, 2007, and

“(iii) 0 after December 31, 2006.”

2014—Subsec. (b)(2)(A). Pub. L. 113-295 amended subpar. (A) generally, substituting “The Inland Waterways Trust Fund financing rate is 29 cents per gallon.” for “The Inland Waterways Trust Fund financing rate is the rate determined in accordance with the following table:” and accompanying table of rates.

2007—Subsec. (b)(3). Pub. L. 110-172 amended heading and text of par. (3) generally. Prior to amendment, text read as follows: “The Leaking Underground Storage Tank Trust Fund financing rate under paragraph (2)(B) shall not apply to the use of any fuel if tax under section 4041(d) was imposed on the sale of such fuel or is imposed on such use.”

2004—Subsec. (b)(2)(C). Pub. L. 108-357 amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: “The deficit reduction rate is 4.3 cents per gallon.”

1993—Subsec. (b)(1)(C). Pub. L. 103-66, §13241(d)(1), added subpar. (C).

Subsec. (b)(2)(C). Pub. L. 103-66, §13241(d)(2), added subpar. (C).

1988—Subsec. (b)(2). Pub. L. 100-647 amended par. (2) generally. Prior to amendment, par. (2) read as follows: “For purposes of paragraph (1)—

“(A) the Inland Waterways Trust Fund financing rate is 10 cents a gallon, and

“(B) the Leaking Underground Storage Tank Trust Fund financing rate is 0.1 cents a gallon.”

1986—Subsec. (b). Pub. L. 99-499 and Pub. L. 99-662 both amended subsec. (b) generally, effective Jan. 1, 1987. Pub. L. 100-647, §2002(a)(1) (see Construction of 1986 Amendments note below), provided that for purposes of this section, the amendment made by Pub. L. 99-499 be treated as enacted after the amendment made by Pub. L. 99-662. Prior to amendment by Pub. L. 99-499 and Pub. L. 99-662, subsec. (b) read as follows:

“If the use occurs—**The tax is—**

After September 30, 1980 and before October 1, 1981	4 cents a gallon
After September 30, 1981 and before October 1, 1983	6 cents a gallon
After September 30, 1983 and before October 1, 1985	8 cents a gallon
After September 30, 1985	10 cents a gallon”.

Statutory Notes and Related Subsidiaries**EFFECTIVE DATE OF 2014 AMENDMENT**

Pub. L. 113-295, div. B, title II, §205(b), Dec. 19, 2014, 128 Stat. 4065, provided that: “The amendment made by this section [amending this section] shall apply to fuel used after March 31, 2015.”

EFFECTIVE DATE OF 2007 AMENDMENT

Amendment by Pub. L. 110-172 effective as if included in the provisions of the Energy Policy Act of 2005, Pub. L. 109-58, to which such amendment relates, see section 6(e) of Pub. L. 110-172, set out as a note under section 30C of this title.

EFFECTIVE DATE OF 2004 AMENDMENT

Amendment by Pub. L. 108-357 effective Jan. 1, 2005, see section 241(c) of Pub. L. 108-357, set out as a note under section 4041 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103-66 effective Oct. 1, 1993, see section 13241(g) of Pub. L. 103-66, set out as a note under section 4041 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Pub. L. 100-647, title II, §2002(d), Nov. 10, 1988, 102 Stat. 3597, as amended by Pub. L. 101-239, title VII, §7812(b), Dec. 19, 1989, 103 Stat. 2412, provided that: “The amendments made by subsections (b) and (c) [amending section 4462 of this title and provisions set out as a note under section 4461 of this title] shall take effect as if included in the provision of the Harbor Maintenance Revenue Act of 1986 [Pub. L. 99-662, title XIV] to which it relates, and the amendment made by subsection (a)(2) [amending this section] shall take effect as if included in the amendment made by section 521(a)(3) of the Superfund Revenue Act of 1986 [Pub. L. 99-499, title V].”

EFFECTIVE DATE OF 1986 AMENDMENTS

Pub. L. 99-662, title XIV, §1404(c), Nov. 17, 1986, 100 Stat. 4271, provided that: “The amendments made by this section [amending this section and section 1804 of Title 33, Navigation and Navigable Waters] shall take effect on January 1, 1987.”

Amendment by Pub. L. 99-499 effective Jan. 1, 1987, see section 521(e) of Pub. L. 99-499, set out as a note under section 4041 of this title.

EFFECTIVE DATE

Pub. L. 95-502, title II, §202(d), Oct. 21, 1978, 92 Stat. 1697, provided that: “The amendments made by this section [enacting this section and amending section 4293 of this title] shall take effect on October 1, 1980.”

SAVINGS PROVISION

For provisions that nothing in amendment by Pub. L. 115-141 be construed to affect treatment of certain transactions occurring, property acquired, or items of income, loss, deduction, or credit taken into account prior to Mar. 23, 2018, for purposes of determining liability for tax for periods ending after Mar. 23, 2018, see section 401(e) of Pub. L. 115-141, set out as a note under section 23 of this title.

CONSTRUCTION OF 1986 AMENDMENTS

Pub. L. 100-647, title II, §2002(a)(1), Nov. 10, 1988, 102 Stat. 3597, provided that: “For purposes of section 4042 of the 1986 Code, the amendment made by section 521(a)(3) of the Superfund Revenue Act of 1986 [Pub. L. 99-499, amending this section] shall be treated as enacted after the amendment made by section 1404(a) of the Harbor Maintenance Revenue Act of 1986 [Pub. L. 99-662, amending this section].”

§ 4043. Surtax on fuel used in aircraft part of a fractional ownership program**(a) In general**

There is hereby imposed a tax on any liquid used (during any calendar quarter by any person) in a fractional program aircraft as fuel—

(1) for the transportation of a qualified fractional owner with respect to the fractional ownership aircraft program of which such aircraft is a part, or

(2) with respect to the use of such aircraft on account of such a qualified fractional owner, including use in deadhead service.

(b) Amount of tax

The rate of tax imposed by subsection (a) is 14.1 cents per gallon.

(c) Definitions and special rules

For purposes of this section—

(1) Fractional program aircraft

The term “fractional program aircraft” means, with respect to any fractional ownership aircraft program, any aircraft which—

(A) is listed as a fractional program aircraft in the management specifications issued to the manager of such program by the Federal Aviation Administration under subpart K of part 91 of title 14, Code of Federal Regulations, and

(B) is registered in the United States.

(2) Fractional ownership aircraft program

The term “fractional ownership aircraft program” means a program under which—

(A) a single fractional ownership program manager provides fractional ownership program management services on behalf of the fractional owners,

(B) there are 1 or more fractional owners per fractional program aircraft, with at least 1 fractional program aircraft having more than 1 owner,

(C) with respect to at least 2 fractional program aircraft, none of the ownership interests in such aircraft are—

(i) less than the minimum fractional ownership interest, or

(ii) held by the program manager referred to in subparagraph (A),

(D) there exists a dry-lease aircraft exchange arrangement among all of the fractional owners, and

(E) there are multi-year program agreements covering the fractional ownership, fractional ownership program management services, and dry-lease aircraft exchange aspects of the program.

(3) Definitions related to fractional ownership interests**(A) Qualified fractional owner**

The term “qualified fractional owner” means any fractional owner which has a minimum fractional ownership interest in at least one fractional program aircraft.

(B) Minimum fractional ownership interest

The term “minimum fractional ownership interest” means, with respect to each type of aircraft—