

Aviation Fuel Taxes Bill Comparison

Senate Ways and Means Committee

Monday, January 26, 2026

	SB 5989 (Boehnke)	SB 5898 (Boehnke)	SB 6240 (Orwall)
Taxes	State Sales and Use Tax	<ul style="list-style-type: none"> • Hazardous Substance Tax (HST) • Oil Spill Response Tax (OSRT) • Petroleum Product Tax (PPT) 	Hazardous Substance Tax
Tax Revenue Redistribution	A portion of state sales/use tax on aircraft fuels → the Aeronautics Acct. <ul style="list-style-type: none"> • 0.5% in FY27 • 1% beginning in FY28 	ALL HST, OSRT, PPT on aircraft fuels → the Aeronautics Acct.	A portion of HST on aircraft fuels → the NEWLY created Aircraft Noise and Air Quality Mitigation Acct. <ul style="list-style-type: none"> • Above \$1.48 per barrel
Usage of the Funds	Aviation-related purposes only	Aviation-related purposes only	Used solely by Commerce to establish a grant program to fund mitigation strategies with communities impacted by aviation-related air quality and noise.
Effective Date ¹	July 1, 2026	90 days after adjournment of session	October 1, 2026
Fiscal Impact in FY28 ²	General Fund-State: ↓ \$4.1M Aeronautics Acct.: ↑ \$4.1M	Model Toxics Cont Capital Acct.: ↓ \$4.6M Model Toxics Cont Operating Acct.: ↓ \$11.1M Model Toxics Cont Stormwarer Acct.: ↓ \$2.8M Oil Spill Response Acct.: Minimal Pollution Liability Insurance Acct.: ↓ \$3.2M Aeronautics Acct.: ↑ \$21.6M <div style="display: inline-block; vertical-align: middle; margin-left: 10px;"> } HST </div>	Model Toxics Cont Capital Acct.: ↓ \$200K Model Toxics Cont Operating Acct.: ↓ \$500K Model Toxics Cont Stormwarer Acct.: ↓ \$100K NEW Aircraft Noise and Air Quality Mitigation Acct.: ↑ \$800K
Are the taxes subject to FAA's airport revenue use requirements?	No. The current state sales and use tax rate was imposed before 1987.	Yes. HST, PPT, and oil spill taxes were imposed after 1987 and are subject to the FAA Policy on the use of aviation fuel tax revenues.	Yes.

Notes:

1. The Department of Revenue indicates the earliest implementation date to be **January 1, 2027**.

2. FY28 is the first full year of implementation.