

Airport and Airway Trust Fund (AATF)

Fact Sheet

Updated: June 2023



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
 - The aviation excise taxes are augmented with contributions from the General Fund
 - Provides funding for capital improvements to the U.S. airport and airways system
- In FY 2022 Trust Fund contributions were 54.8% of the FAA budget and 68.9% in FY 2023.
- During the COVID-19 pandemic and the commitment to help respond to the downturn in air traffic activity that followed, FAA received a greater amount of funding from the General Fund than before 2020. For example, the Trust Fund taxes and fees provided FAA with 86.9% of its funding in FY 2018 and 93.8% of the agency's funding in FY 2019.
- Since 2022, the General Fund contributions have been augmented by investments made by the Infrastructure Investment & Jobs Act.

AATF Funds these accounts

- **FAA accounts:**
 - Grants-in-Aid for Airports (augmented with funding from the General Fund)
 - Facilities and Equipment
 - Research, Engineering, and Development
 - Operations (partly supported by the AATF with the rest of budgetary resources coming from the General Fund)
- **Department of Transportation accounts:**
 - Essential Air Services (EAS) program

Grants-in-Aid for Airports has been supplemented by more than \$400 million annually from the General Fund since FY18, with a \$558M commitment in FY23. Additionally, because of the extraordinary need resulting from the COVID pandemic, a total of \$20 billion in assistance to airports was provided in three coronavirus relief bills in FY 2020 and FY 2021.

Additionally, the Infrastructure Investment and Jobs Act invests \$15 billion in airport infrastructure, \$5 billion in airport terminals, and another \$5 billion in air traffic facilities over 5 years.

Trust Fund Excise Taxes Structure

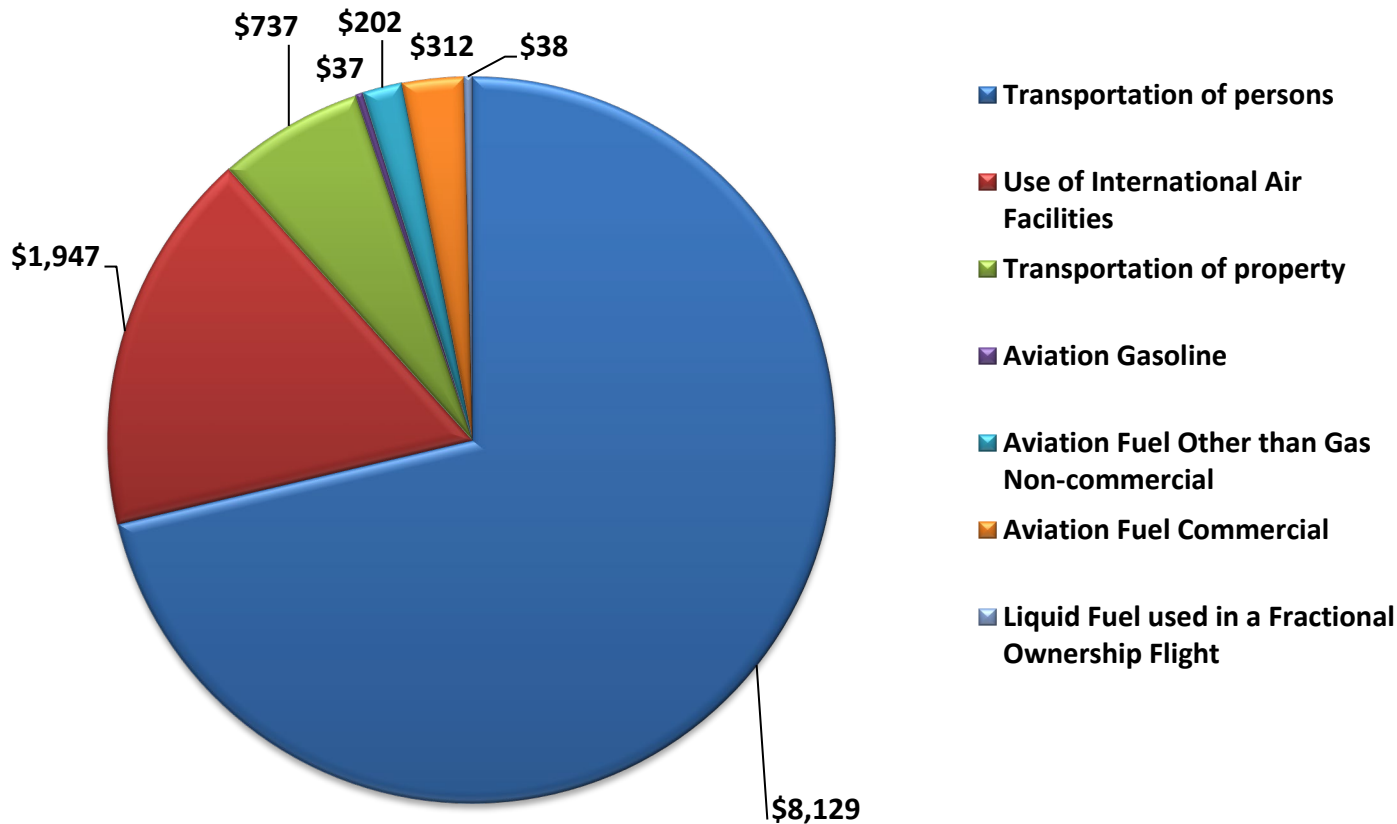
Trust Fund Excise Tax Revenue Sources

Rates effective as of January 1, 2023 for CY2023

- | | | |
|--|---|--|
| • Domestic passenger ticket tax | ➔ | • 7.5 percent |
| • Domestic flight segment tax (excluding flights to or from rural airports) | ➔ | • \$4.80 per passenger per segment; indexed to the Consumer Price Index |
| • Tax on flights between the continental United States and Alaska or Hawaii (or between Alaska and Hawaii) | ➔ | • \$10.60 per passenger; indexed to the Consumer Price Index |
| • International arrival and departure tax | ➔ | • \$21.10 per passenger; indexed to the Consumer Price Index |
| • Tax on mileage awards (frequent flyer awards tax) | ➔ | • 7.5 percent of value of miles |
| • Domestic commercial fuel tax | ➔ | • 4.3 cents per gallon |
| • Domestic general aviation gasoline tax | ➔ | • 19.3 cents per gallon |
| • Domestic general aviation jet fuel tax | ➔ | • 21.8 cents per gallon Note: Effective after March 31, 2012 a 14.1 cents per gallon surcharge for fuel used in fractional ownership flights |
| • Tax on domestic cargo or mail | ➔ | • 6.25 percent on the price paid for transportation of domestic cargo or mail |

AATF FY 2022 Excise Tax Revenues

(in millions of dollars)



Total excise tax revenue \$11,402M*

*In FY22, there were refunds from the trust fund of \$11.1M for aviation fuel taxes and \$15.5M for aviation taxes other than gasoline.

FAA Accounts & AATF Funding

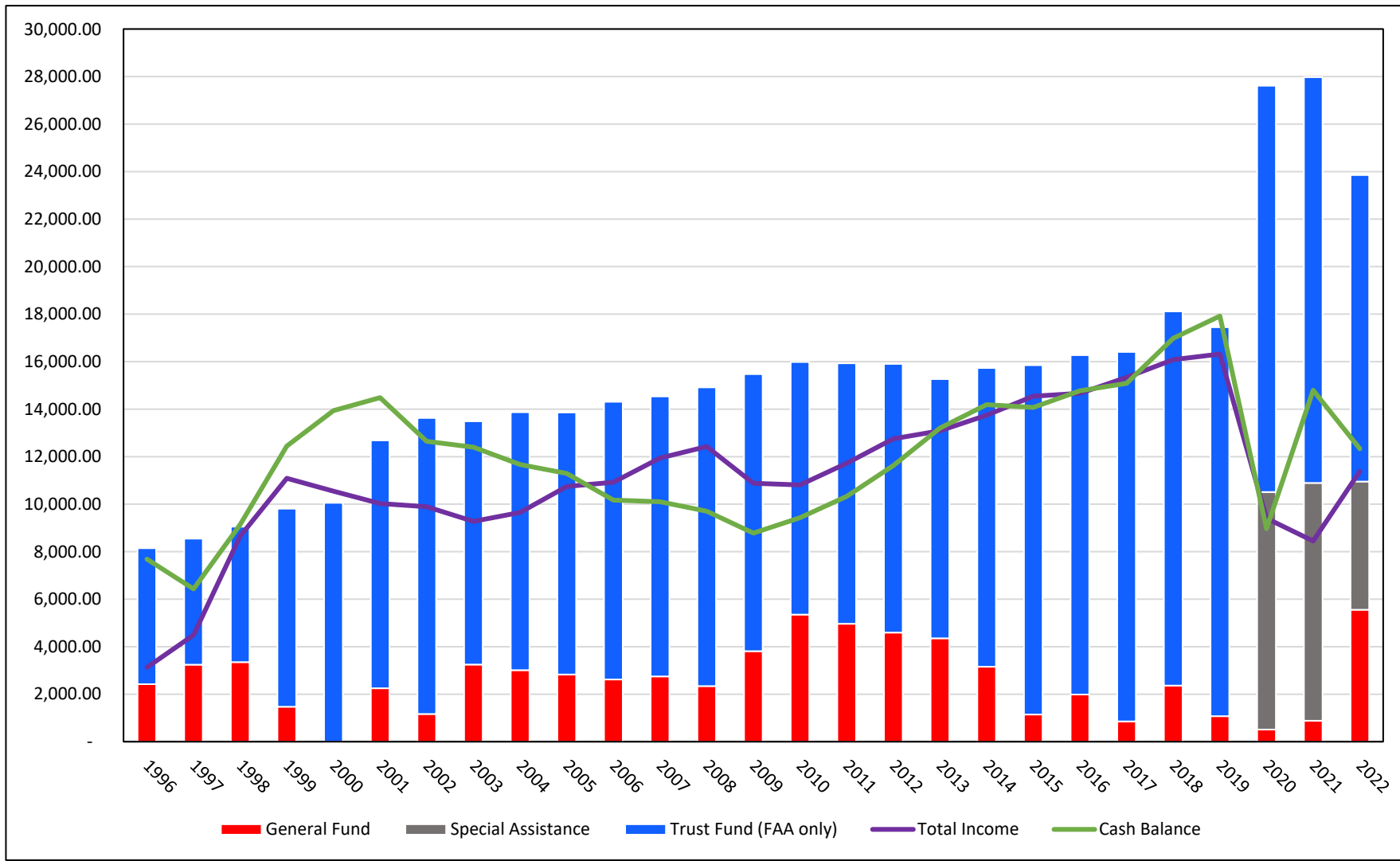
(in thousands of dollars)

ACCOUNT NAME	FY 2019 ACTUAL	FY 2020 ACTUAL	FY 2021 ACTUAL	FY 2022 ACTUAL	FY 2023 ENACTED
Operations	\$10,410,800	\$10,630,000	\$11,001,500	\$11,414,100	\$11,915,000
General	\$577,400	\$111,000	\$482,500	\$5,000,000	\$1,921,179
AATF	\$9,833,400	\$10,519,000	\$10,519,000	\$6,414,100	\$9,993,821
Facilities & Equipment	\$3,000,000	\$3,045,000	\$3,015,000	\$2,892,888	\$2,945,000
AATF	\$3,000,000	\$3,045,000	\$3,015,000	\$2,892,888	\$2,945,000
Research, Engineering, & Development	\$191,100	\$192,665	\$198,000	\$248,500	\$255,000
AATF	\$191,100	\$192,665	\$198,000	\$248,500	\$255,000
Grants in Aid for Airports	\$3,850,000	\$3,750,000	\$3,750,000	\$3,904,180	\$3,908,555
Contract Authority (AATF)	\$3,350,000	\$3,350,000	\$3,350,000	\$3,350,000	\$3,350,000
General Fund Appropriation	\$500,000	\$400,000	\$400,000	\$554,180	\$558,555
Supplemental	\$0	\$10,000,000	\$10,009,000	\$100,000	\$0
CARES Act	\$0	\$10,000,000	\$0	\$0	\$0
CRSSA	\$0	\$0	\$2,000,000	\$0	\$0
American Rescue Plan	\$0	\$0	\$8,000,000	\$0	\$0
Employee Leave Fund	\$0	\$0	\$9,000	\$0	\$0
Hurricane Relief	\$0	\$0	\$0	\$100,000	\$0
IIJA Authority	\$0	\$0	\$0	\$5,000,000	\$5,000,000
Facilities and Equipment	\$0	\$0	\$0	\$1,000,000	\$1,000,000
Airport Infrastructure Grants	\$0	\$0	\$0	\$3,000,000	\$3,000,000
Airport Terminal Program	\$0	\$0	\$0	\$1,000,000	\$1,000,000
AATF	\$16,374,500	\$17,106,665	\$17,082,000	\$12,905,488	\$16,543,821
GF	\$1,077,400	\$511,000	\$882,500	\$5,554,180	\$2,479,734
FAA Account Total	\$17,451,900	\$17,617,665	\$17,964,500	\$18,459,668	\$19,023,555
Supplemental Total	\$0	\$10,000,000	\$10,009,000	\$100,000	\$0
IIJA Authority Total	\$0	\$0	\$0	\$5,000,000	\$5,000,000
GRAND TOTAL	\$17,451,900	\$27,617,665	\$27,973,500	\$23,559,668	\$24,023,555



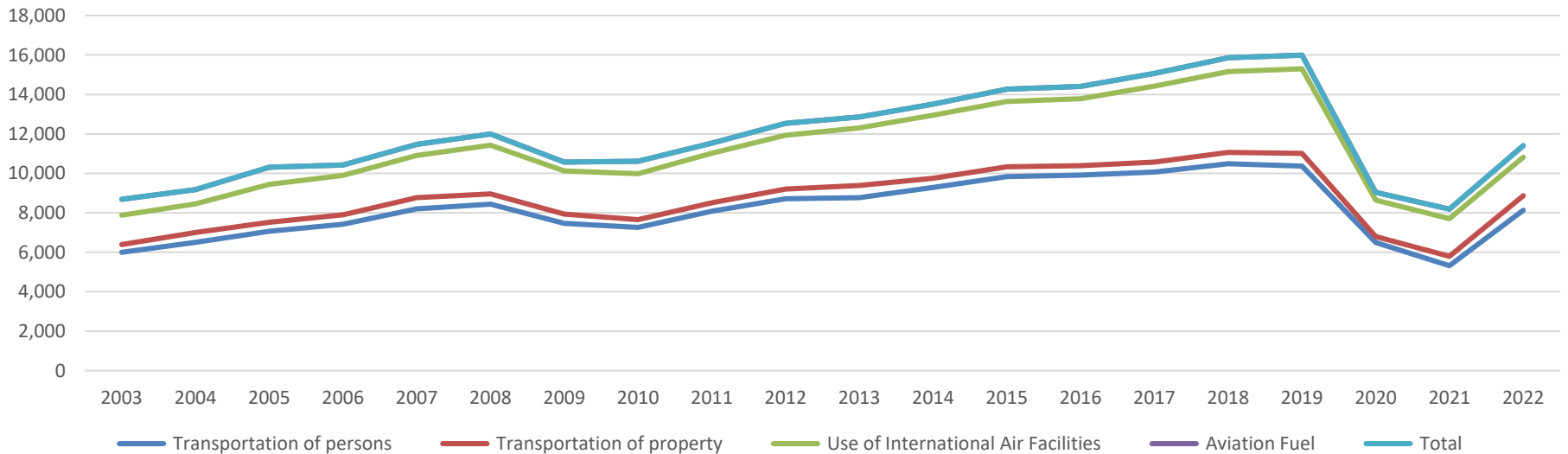
General Fund/Trust Fund Share

(in millions of dollars)



AATF Tax Revenue Trends

AATF Tax Revenues FY 2003 - 2022 (millions)



Infrastructure Investment & Jobs Act (P.L. 117-58)

A 5-year, \$25 billion investment in the nation's air transportation system.

\$5B

AIR TRAFFIC FACILITIES

For airport projects that increase safety and expand capacity.

\$15B

AIRPORT INFRASTRUCTURE

For airport projects that increase safety and expand capacity.

\$5B

AIRPORT TERMINALS

To replace aging terminals and airport-owned towers, increase terminal energy efficiency and accessibility, and more.

BIPARTISAN
INFRASTRUCTURE
LAW

