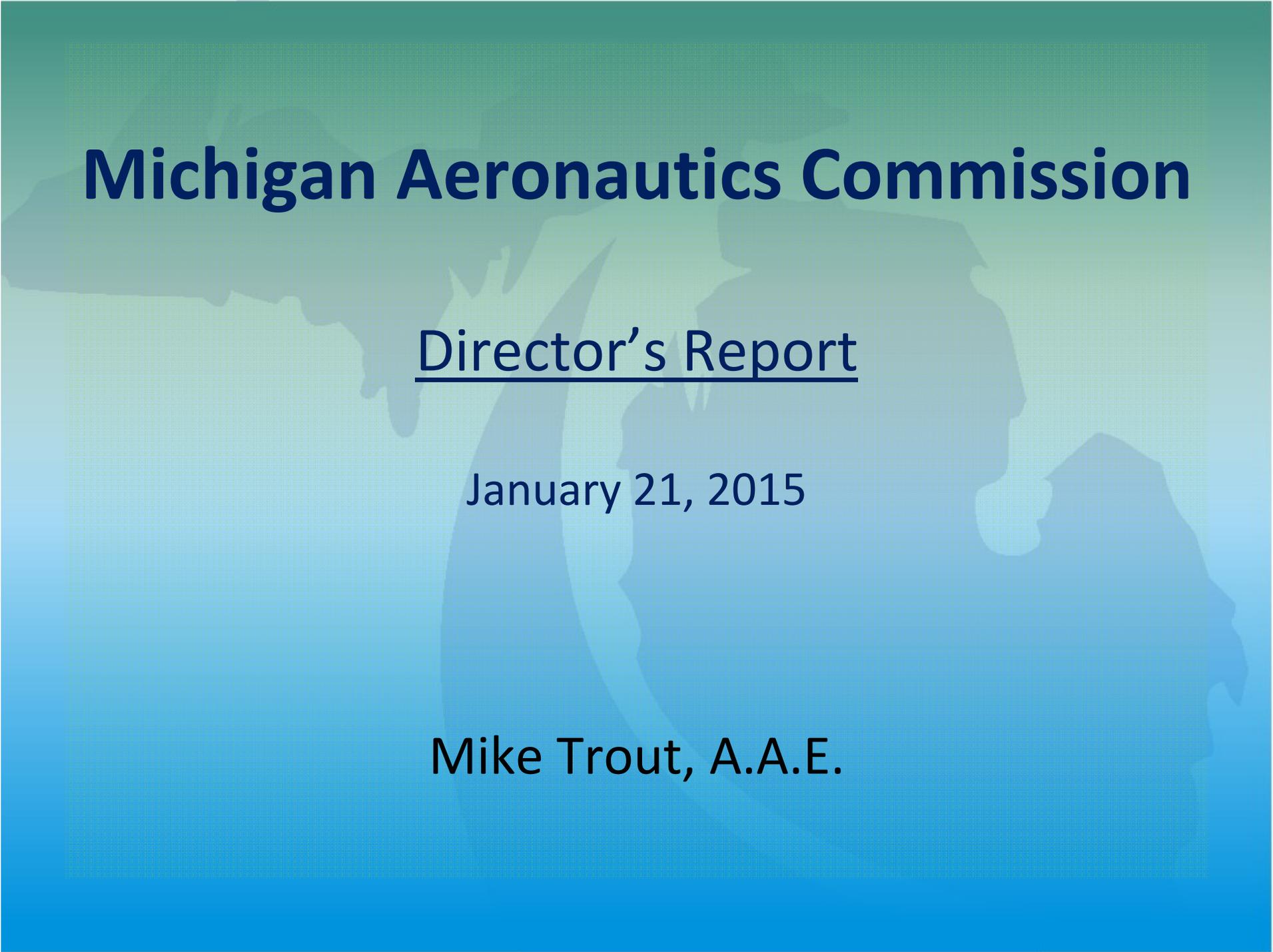


# Michigan Aeronautics Commission



## Director's Report

January 21, 2015

Mike Trout, A.A.E.

# May Ballot Initiative

- Proposed constitutional amendment would:
  - Eliminate all sales or use taxes on gasoline and diesel fuel beginning on Oct. 1, 2015.
  - Increase in the sales tax rate from 6% to 7%.
  - Activate other laws dedicating additional revenue for transportation purposes.
  - Require state funds for school aid to be used exclusively for financial assistance.
  - Dedicate a portion of use tax revenue for school aid purposes.
  - **No Aviation Component in Sales Tax Proposal**

# Moving Forward

- Aviation Funding Priorities
  - Adequate, stable, and predictable.
  - Ensure safety of air transportation system.
  - Deliver quality aeronautic services.
  - Fairness to users.
  - Compliance with Federal regulations.

# Considerations

- \$20 million for capital and operating needs
- Primary focus on Excise Tax
- Consideration of Sales Tax Issues
- Factors include:
  - 265,000,000 total gallons aviation fuel
  - Wholesale price of Jet A has dropped from **\$2.96** in Jan. 2014 to **\$1.42** in Jan. 2015. (*Source – eia.gov*)
  - Average retail price Jet A **\$4.80** (*airnav.com*)

# Notable Stats

- Excise Fuel Tax  
2014 = \$5,056,196  
2013 = \$5,288,153
- Tall Structure Permits  
2014 = 1,380/296  
2013 = 1,858/579
- Registered Aircraft  
2015 = 6,178  
2014 = 6,056

## Stats (cont.)

- State Aircraft Stats

	<u>2013</u>	<u>2014</u>
Flight Hours:	1,143	1,144
No. of Trips:	677	727
No. of Legs:	1,744	1,900
Total Passengers:	2,543	2,572
<b>Travel Time Saved</b>	<b>15,763</b>	<b>14,662</b>
<b>Total Est. Savings</b>	<b>\$752,000</b>	<b>\$738,000</b>

# Events & Happenings

- Great Lakes Aviation Conference: Jan. 23 - 24
- Michigan Airport Conference: Feb. 18 – 19
  - Awards
- STC/MAC Joint Meeting: ?
- Commission Analyst
- Vet Program
- May Off-Site Commission Meeting

# THANK YOU

## QUESTIONS?

MDOT wants to deliver outstanding customer service for Michigan's citizens.

Please take a minute to tell us how we are doing.

Your opinion is very important to us!



**“Aviation is proof that, given the will, we have the capacity to achieve the impossible.”**

Eddie Rickenbacker