

(1) the definitions of distributor and dealer only apply to the gasoline tax which under both current law, H.918 As Introduced and the bill as redrafted is limited as relevant here to sales of aviation gasoline which we know in Burlington is being collected by Heritage and in all other state airports by their state contracted "FBOs".

(2) the taxation of jet fuel is solely under the sales & use tax statutes where a "retail sale" is broadly defined as any sale for any purpose other than resale, namely a sale to an end user which includes the airlines. As I see it, the end result is the same however an airline organizes the purchase & distribution. If an airline has an wholly owned subsidiary buy jet fuel in NY which it transports and stores in Burlington and then "sells" to the airline, then the subsidiary is a "retailer" under the statute and is obligated to collect the tax – but to avoid the Commerce Clause bar against double taxation the VT sales tax due is limited to the difference between the VT and NY taxes. If on the other hand, the airline keeps the entire operation in house, when it pumps jet fuel into one of its planes that constitutes a taxable "use" of the fuel which obligates the airline as the user to pay the VT use tax subject to same Commerce Clause double taxation constraint.

Also AOT has apparently received additional information (not elaborated) which makes them believe the airlines are paying the VT sales tax on jet fuel but that it has mistakenly been credited to the general fund. The Dec 2017 Schedule 2 records jet fuel tax revenue through the first 6 months of FY18 as being \$972,529 compared to year ago revenue of only \$281,844. The difference of \$690,685 is mostly a correction for misallocations of the jet fuel tax to the general fund.