

funding source whereby users pay for the services they receive. In 1997, Congress enacted new taxes that fund the Trust Fund. Each component of the taxes and the percentage of the total revenue derived from them during FY 2003 are shown in Table 1. The percentages show relative contributions of taxes.

Table 1 Aviation Taxes

AVIATION COMPONENT	COMPUTATION FORMULAE	PERCENT
Domestic Passenger Ticket Tax (Including Areas of Canada and Mexico Not More Than 225 Miles from the Continental United States)	7.5% from October 1, 1999, to September 30, 2007	49
Domestic Passenger Flight Segment	\$3 per Segment during Calendar Year (CY) 2002 Indexed to Consumer Price Index (CPI) after CY 2002	20
Passenger Ticket Tax at Rural Airports (Having Less Than 100,000 Boardings and More Than 75 Miles from an Airport with 100,000 Boardings)	7.5% of Ticket Cost Beginning Oct. 1, 1997 (Excludes Flight Segment Component)	1
International Departure and Arrival Taxes (Where Domestic Tax Does Not Apply)	\$12 Per Person Departure Tax Plus \$12 Per Person Arrival Tax Beginning Oct. 1, 1997 Indexed to CPI Beginning Jan. 1, 1999	15
Special Rule for Flights between Continental US and Alaska or Hawaii	\$6 Departure Tax for International Facilities Indexed to CPI Beginning Jan. 1, 1999 Plus a Portion of the Domestic Passenger Ticket Tax	
Frequent Flyer Tax	7.5% of Frequent Flyer Award Value	2
Waybill Domestic Freight and Mail	6.25% of Shipment Cost	5
Commercial Fuel Tax	4.3¢ Per Gallon	6
General Aviation Fuel Tax	Aviation Gasoline – 19.3¢ Per Gallon Jet Fuel – 21.8¢ Per Gallon	2

22. AIP AUTHORIZED FUNDING LEVELS.

The Act, as amended, authorizes the use of monies from the Airport and Airway Trust Fund to make grants under the AIP on an annual fiscal year basis. Figure 1 and Table 2 depict amounts (in millions) that were authorized and subsequently limited by appropriations acts for the AIP. Appropriation limitations generally fall short of authorized levels.

Funds authorized but remaining after a fiscal year, due to appropriations limitations, carry forward to future fiscal years unless the Congress takes specific action to limit such amounts. During the annual appropriations process, Congress may also limit the funding that may be obligated for grants to an amount that differs from the annual authorization. (See Paragraph 32.) Rescissions may be enacted as a bookkeeping device reducing the authorized level to the amount limited by appropriations acts.

23. TYPES OF AIRPORTS AND AIRPORT ACTIVITIES.

The only airports, or portions thereof, eligible for AIP funding are public use airports that serve civil aviation. The definition for airports in the law refers to any area of land or water used or intended for landing or take-off of aircraft. This includes, within the five categories of airports listed below, special