

Senate Engrossed

excise tax; jet fuel; definition

State of Arizona  
Senate  
Fifty-sixth Legislature  
Second Regular Session  
2024

**CHAPTER 242**  
**SENATE BILL 1636**

AN ACT

AMENDING SECTION 42-5351, ARIZONA REVISED STATUTES; RELATING TO JET FUEL  
EXCISE AND USE TAX.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 42-5351, Arizona Revised Statutes, is amended to  
3 read:

4 42-5351. Definitions

5 In this article, unless the context otherwise requires:

6 1. "Jet fuel":

7 (a) Means crude oil or any fraction of crude oil which is liquid at  
8 sixty degrees Fahrenheit and 14.7 pounds per square inch absolute, and  
9 petroleum-based substances comprised of a complex blend of hydrocarbons  
10 derived from crude oil through processes of separation, conversion,  
11 upgrading and finishing, such as motor fuels, residual fuel oils,  
12 lubricants, petroleum solvents and used oils when these products are  
13 expressly manufactured and blended for the purpose of effectively and  
14 efficiently operating jet or turbine powered aircraft.

15 (b) INCLUDES:

16 (i) AN AVIATION TURBINE FUEL THAT CONSISTS OF CONVENTIONAL AND  
17 SYNTHETIC BLENDING COMPONENTS THAT CAN BE USED WITHOUT THE NEED TO MODIFY  
18 AIRCRAFT ENGINES AND EXISTING FUEL DISTRIBUTION INFRASTRUCTURE.

19 (ii) JET FUELS DERIVED FROM COPROCESSED FEEDSTOCKS AT A  
20 CONVENTIONAL PETROLEUM REFINERY.

21 2. "Person" includes an individual, firm, partnership, joint  
22 venture, association, corporation, estate, trust, receiver or syndicate,  
23 this state or a county, city, municipality, district or any other  
24 political subdivision or agency of this state.

25 3. "Retail sale" means a sale for any purpose other than a sale for  
26 resale in the regular course of business.

27 4. "Retailer" includes every person engaging or continuing in the  
28 business of selling jet fuel for storage, use or other consumption or in  
29 the business of selling jet fuel owned by that person or others for  
30 storage, use or other consumption. If in the opinion of the department it  
31 is necessary for the efficient administration of this article to regard  
32 any salesmen, representatives, peddlers or canvassers as the agents of the  
33 dealers, distributors, supervisors or employers under whom they operate or  
34 from whom they obtain the jet fuel sold by them, regardless of whether  
35 they are selling on their own behalf or on behalf of such dealers,  
36 distributors, supervisors or employers, the department may so regard them  
37 and may regard the dealers, distributors, supervisors or employers as  
38 retailers for purposes of this article.

39 5. "Storage" means keeping or retaining jet fuel purchased from a  
40 retailer for any purpose except sale in the regular course of business or  
41 subsequent use solely outside this state.

1           6. "Use or consumption" means the exercise of any right or power  
2 over jet fuel incidental to owning the fuel except holding for sale or  
3 selling the fuel in the regular course of business.

4           Sec. 2. Applicability

5           This act applies to taxable periods beginning on or after the first  
6 day of the month following the general effective date.

APPROVED BY THE GOVERNOR JUNE 21, 2024.

FILED IN THE OFFICE OF THE SECRETARY OF STATE JUNE 21, 2024.