

Georgia jet fuel tax halted, months after Delta, NRA fight

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FILE – In this July 26, 2018 file photo, Georgia Governor Nathan Deal attends a state Republican Party unity rally, in Peachtree Corners, Ga. Georgia's... (AP Photo/John Amis, File) **More** ✓

By **BEN NADLER**

The Associated Press

ATLANTA (AP) — Georgia's governor on Monday made good on his vow to restore a tax cut on jet fuel sales that was previously killed by state GOP lawmakers irate with Delta Air Lines for ending a discount for members of the National Rifle Association.

Republican Gov. Nathan Deal issued an executive order suspending collection of the state's 4 percent sales tax on jet fuel beginning Aug. 1. The Georgia General Assembly could reinstate the tax when it reconvenes for the 2019 legislative session in January.

Earlier this year, Lt. Gov. Casey Cagle effectively killed a proposed sales tax exemption on jet fuel to punish Delta for ending a discount program for NRA members in the wake of the deadly school shootings in Parkland, Florida, in February.

The proposed exemption was included in a larger tax bill but was stripped by Cagle and the state Senate, capping what Deal referred to an “unbecoming squabble.”

The NRA soon after endorsed Cagle in his failed bid for governor, which ended July 25 when he lost the GOP primary runoff to Brian Kemp. Deal had also endorsed Cagle in the race.

Deal said in a statement that the tax, which brought in about \$39 million per year in revenue, put Georgia at a disadvantage to other states with major airport hubs like North Carolina, Florida, Texas and New York.

“Providing tax relief to job creators will help us maintain our competitive advantage as a global hub for commerce now and in the future,” he said.

Deal said he hoped the tax break would spur growth in Georgia’s airline industry. Delta, one of the state’s largest employers, would be one of the biggest beneficiaries of the tax cut and stands to save millions per year.

The state already moved to end collection of local sales tax on jet fuel on July 1.

Delta CEO Ed Bastian, in a statement Monday, thanked Deal “for his steps to ensure that the state of Georgia will remain competitive in the global economy.”

“The savings will allow us to invest additional flights into Georgia in the years to come,” Bastian said.

Monday’s order also was cheered by both the Georgia Chamber and Metro Atlanta Chamber as helping Georgia compete for jobs.

“In the daily fight for business expansions and relocations, every advantage — or disadvantage — could prove make or break,” Hala Modellmog, president of the Metro Atlanta Chamber, said. She said the order “strengthens the competitiveness of Georgia’s airports, one of our greatest economic development assets.”

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