

2001 NBAA State Aviation Tax Report

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Introduction

The *NBAA State Aviation Tax Report* contains useful information about state aviation taxes in the United States. Each state's information is organized according to the following categories: sales and use taxes on aviation, taxes on fuel, aircraft registration fees and personal property taxes. Each state report also includes names and phone numbers of aviation contacts and tax department contacts.

Each state's information will change periodically, so you should contact individual states for the most recent data. These reports also are available on the NBAA Web site at www.nbaa.org.

Explanation: "Sales and Use Tax Scenario"

Earlier this year, NBAA contacted each of the 50 states about their state aviation tax requirements in order to create these pages. During the survey, one of the questions that NBAA posed to all 50 state sales and use divisions was: "Repair work is completed on a resident's aircraft in another state. Does your Sales/Use Tax apply to this work? If so, does it apply to both parts and labor?" **Note:** Due to space constraints, these questions are not posed on each state's page. Instead, if state contacts provided responses to these questions, the heading "Sales and Use Tax Scenario" will be included on each state's page, followed by the state's response to these questions.

Disclaimer

The NBAA Tax Conference, NBAA Tax Forums and this NBAA reference publication are intended to provide you with an introduction to the tax and Federal aviation rules that impact business aviation and the interrelationship of these rules. Since the materials are necessarily general in nature, they are no substitute for the advice of your legal and tax advisors addressing a specific set of facts that you may face.

SALES AND USE TAX

Rate	Exemptions	Reference
Sale of Aircraft 2% State .01% to 3% Local Dry lease 1.5% State .375%-5% Local Aircraft parts 4% state/.5% to 5% local	Fly-Away Exemption: * Limited Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable Commercial Operations: Airline hub operators only	Sale 40-23-2(4) Use 40-23-61(c) Dry lease 40-12-222 Parts 40-23-2(1) Fly away 40-23-4(a)37 Commercial 40-23-4 (a)(40)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
0.01/gal	No	Purchase for resale	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
0.03/gal	No	Purchase for resale	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Assessment is 20% of market value based on 89% of listed retail value as per Vref Aircraft valuation reference. State millage 6.5 with each county and municipalities available on state Web site.	Local taxing districts

NOTES

* Fly away: Aircraft must be manufactured, sold and delivered in Alabama, and then removed from state within three days. Use Tax Scenario: taxable on parts only

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Mike Emfinger Revenue Examiner (334) 242-1570	Steve Dubose Revenue Manager (334) 242-9608	Will Martin Sup., Personal Prop. Valuation (334) 242-1525	John Eagerton Aeronautics Director (334) 242-4480

ALASKA

<http://www.revenue.state.ak.us>

SALES AND USE TAX

Rate	Exemptions	Reference
No sales tax at state level	Fly-Away Exemption: Dry Lease: Wet Lease: Sale of Aircraft Parts: Aircraft Repair Parts: Aircraft Repair Labor: Commercial Operations:	N/A

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.032/gal	None	International operations	Alaska Statue 43.40.010

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.047/gal	None	Agriculture	Alaska Statue 43.40.010

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	\$75 per single engine aircraft and \$150 per multi-engine aircraft	Local taxing districts

NOTES

Use Tax Scenario: No sales tax

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
N/A	Dan Dickinson Director (907) 269-6620	Contact local municipalities	N/A

SALES AND USE TAX

Rate	Exemptions	Reference
5.6% Transaction Privilege Tax	Fly-Away Exemption: Yes Dry Lease: No Wet Lease: No Aircraft Repair Parts:* Yes Aircraft Repair Labor: No Commercial Operations: yes	Fly-Away ARS 42-5061B7/42-5159B7 Dry lease 42-5071 Wet lease 42-5062 Aircraft/Parts ARS 42-5061(b)(7) 42-5159 Credit 42-5159A Casual Sale R15-5-2001 Resale R5-15-101 Sale of Business R15-5-103 First Use ARS 42-5159.A.6 Common Carrier 42-5061B7/42-5159B7

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.0305	No	Any amounts over 10 million gals are not taxed by the state	ARS 42-5061(A)(22)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.05	No		ARS 28-8344(A)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Annually, a \$5 registration fee, plus in lieu of the personal property tax, a percentage of the fair market value of the aircraft fair market value. FMV is based on the blue book equipped per base average change/inventory.	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Aircraft that do not operate on a regularly scheduled basis pay the aircraft registration fee in lieu of personal property taxes	N/A

NOTES

* A person holding a Federal certificate of public convenience and necessity or foreign air carrier permit for air transportation. Use Tax Scenario: Parts are taxable.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Not provided	Not provided	Lucy Guin Property Appraiser Financial Analyst (602) 542-3529	Gary Adams Director, Division of Aeronautics (602) 294-9144

ARKANSAS

<http://www.state.ar.us/revenue/rev1.html>

SALES AND USE TAX

Rate	Exemptions	Reference
4.625% plus 1-4% local	Fly-Away Exemption: No Dry Lease: No * Wet Lease: Not taxable Sale of Aircraft Parts: No **Aircraft Repair Parts: 12,500 lbs. MTOW or greater **Aircraft Repair Labor: 12,500 lbs. MTOW or greater	27-115-110(a) ACA 26-52-301(3)(c)(vi) 26-53-115

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	4.625% plus local 1-4%	None	27-115-110(a)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	4.625% plus 1-4% local	None	27-115-110(a)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	(20%)(market aircraft blue book) multiplied by a statewide average of 42.3 mills	Local taxing districts

NOTES

Use Tax Scenario: Not taxable

* If lease /rental is 29 days or less, an additional short term rental (str) tax of 1% is due.

**Aircraft with a gross weight of greater than 12,500 lbs. are exempt from sales tax on repairs and alterations ACA 26-52-301(3)(c)(vi). The term commercial jet aircraft shall mean any commercial, military, private, or other turbine or jet aircraft having a certified maximum takeoff weight of more than 12,500 lbs. 26-53-115

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Clifton Poole Sales Tax Manager (501) 682-1895	N/A	Debra Asbury Deputy Director (501) 304-9240	N/A

SALES AND USE TAX

Rate	Exemptions	Reference
7.25% State Combined Total State and Local up to 8.5%	Use Tax: *Yes Fly-Away Exemption:** Yes Dry Lease: No Wet Lease: Yes Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor:Yes Commercial Operations:***Yes	Commercial operations: Regulation 1621 (b)(3)(B) Sales and Use Reg. 1593 Including Fly-Away and exemption certificate Repair Labor: Reg 1546 Lease: ****Reg 1660 and 1661 Credit for tax paid to other States Section 6406 Revenue and Taxation Code

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.02****	7.25% plus local	****	None provided

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.18	None	None	None provided

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Taxed at local taxing district level	

NOTES

- * California residents who make a purchase in another state will be subject to if deemed to be purchase for use in California. Two tests are used: The 90-day test and the six-month test.
- ** A nonresident will be considered as not using the aircraft other than to remove the aircraft from California within 12 months after its removal from the state.
- *** The term common carrier means any person who engages in the transporting of persons or property for hire and offers his services indiscriminately to the public. With respect to leasing, or aircraft sold for the purpose of leasing, the lessor's yearly gross receipts must exceed the lesser of 20% of the cost of the aircraft to the lessor or \$50,000.
- **** A person engaged in the business of constructing or reconstructing by manufacture or assembly of completed aircraft or modifying, overhauling, repairing, maintaining or servicing of aircraft, common carriers and the U.S. Armed Forces.
- ***** Under regulation 1661 generally the purchaser of an aircraft may elect to pay tax measured either by the purchase price or by the fair rental value(generally meaning the rentals required by the lease) unless the transaction is otherwise exempt.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Taxpayer Info. Center (800) 400-7115 www.boe.ca.gov	General Information (916) 324-2300 Refunds (916) 322-9695	N/A	Mike Farmer (916) 654-5174

COLORADO

This state's information last updated 4/01

http://www.state.co.us/gov_dir/revenue_dir/home_rev.html

SALES AND USE TAX

Rate	Exemptions	Reference
2.9%	Sales and Use: commercial airlines Fly-Away Exemption: No Dry Lease: Yes ¹ Wet Lease: No Aircraft Repair Parts: Not taxable if permanently attached as component of aircraft. Aircraft Repair Labor: Not taxable Commercial Operations: Scheduled operators only	Colorado Revenue Statutes: Sales 39-26-104(1)(a) Dry lease 39-26-102(23) Parts 39-26-114(1)(a)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.04/gal	2.9%	Excise only Commercial airlines	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.06/gal	N/A	Partial refund/Aerial applicators operating from private airfields	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A State Constitution Article X §6

NOTES

Use Tax Scenario: Not taxable

¹The Dept of Revenue may permit (optional) a lessor of tangible personal property leased for a period of three years or less to acquire such property free of sales and use tax if the lessor agrees to collect sales tax on all lease payments received on such property. For a lease periods of longer than three years the sales tax is paid on the lease payment stream

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Donna Stepon Tax Examiner 4 (303) 866-3804	Allen Stressmann Fuel Tax Section (303) 205-5655	N/A	N/A

SALES AND USE TAX

Rate	Exemptions	Reference
6%	Sale and Use: Yes Fly-Away Exemption: Yes,limited Resale: Yes Casual Sale: Yes, limited by relationship Dry Lease: No Wet Lease: Yes Aircraft Repair Parts: Yes,limited Aircraft Repair Labor: Yes,limited Commercial Operations: Yes	Sale and Use Manufacturer: 12-412.20 MTOW > 6000lbs.412.99 Fly-away: 12-412(20) Resale Certificate 12-410 Casual sale 12-431 Rate 12-408 Define purchase 12-408(7) Lease 12-412(20), 12-407(2)(1)(c) Trade-in 12-430(4) Parts: 12-412.76 Labor: 12-412.77 Commercial 12-412(76) Policy Statement 94(8.1)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
No	None	Aviation Fuel Used Exclusively for Aviation Purposes	CT Gen Stat §12-412-75

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
No	None	Aviation Fuel Used Exclusively for Aviation Purposes	CT Gen Stat §12-412-75

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Gross Weight (lbs.) Less than 3,000 \$ 90.00 3,001-4,500 \$ 250.00 4,501-8,000 \$ 700.00 8,001-12,500. \$1,500.00 12,500 and over \$2,500.00	Registration: Law §13b-39a Fee § 13b-39d

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Registration is in lieu of registration fee	Law §12-71

NOTES

Sale 12-412.20 exemption requires a manufacturer selling to a non-resident or common carrier involved in interstate commerce. Sale 12.412.99 exemption applies to aircraft with MTOW greater than 6,000 lbs. or to common carrier involved in interstate commerce (residency is not issue); Parts and Labor 12-412.76 and 412.77 require services to be supplied to an aircraft with MTOW greater than 6,000 lbs. or to common carrier involved in interstate commerce.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Dept. Revenue Services (860) 297-5649	Excise/Public Service Taxes Unit (860) 541-3225	N/A	None provided

DELAWARE

<http://www.state.de.us/revenue/>

SALES AND USE TAX

Rate	Exemptions	Reference
Gross Receipts Tax – The gross receipts tax is the obligation of the seller and is activated by obtaining a business license.	Aircraft retailer would be subject to the gross receipts tax of .72%. A business that sells at wholesale the rate would be .384%. The lessor of tangible property in Delaware is subject to a .288% gross receipts tax and must collect from the lessee an additional use tax of 1.92%. If parts are sold alone the retail or wholesale rates would apply. If parts are sold as part of a repair the service category rates would apply.	None provided

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	N/A	N/A	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.23/gal	N/A	N/A	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Tangible and intangible personal property are exempt from taxation by the state or political subdivision	Del. Code Ann. 9-8103

NOTES

Sales and Use Tax Scenario: Not taxable

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Richard L. Jezyk Division of Revenue (302) 577-8265	Robyn Bose Account Specialist (302) 744-2720	N/A	Anthony J Amato Office of Aeronautics (302) 739-3264

SALES AND USE TAX

Rate	Exemptions	Reference
6%	Casual Sale: No Fly-Away Exemption: *Yes Dry Lease: No Wet Lease: No Sale of Aircraft Parts: Aircraft Repair Parts: No Aircraft Repair Labor: Yes, ** limited by weight Commercial Operations: Yes	Casual Sale: 212.05(1)(a) Fly-Away: 212.05(2) Mx Labor:212.08(ff)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.06/gal	N/A	International operations	Rate 206.42 (4) Exemptions 206.42

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.06/gal	N/A	International operations	Rate 206.42(4) Exemptions 206.42

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
N/A	N/A	N/A

NOTES

* An aircraft purchased in this state cannot be returned to this state for repairs within 6 months after the date of its departure without being in violation of the law and without incurring liability for the payment of the tax or penalty on the purchase price of the aircraft. Documentation of removal, within time restrictions, is necessary. Removal must occur within 10 days.

** All labor charges for the repair and maintenance of aircraft of more than 15,000 lbs. MTOW and 10,000 MTOW for rotor wing aircraft; charges for parts and equipment are taxable 212.08 (ff); removal from the state must occur within 20 days.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Vickie Allen (850) 922-4846	N/A	N/A	William Ashbaker State Aviation Manager (850)414-4500

GEORGIA

<http://www.state.ga.us/departments/dor/>

SALES AND USE TAX

Rate	Exemptions	Reference
4% Local 1%-3%	Fly-Away Exemption: Yes, limited Dry Lease: No Wet Lease: No Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: * Yes Commercial Operations: No	Fly-away OCGA 48-8-3 Commercial operations: 560-12-2- .04 Repair Labor: 48-8-30

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	4%	N/A	

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.01/gal	4%	N/A	

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Applied at the local level, rates vary widely	Local taxing districts

NOTES

Sales and Use Tax Scenario: * Repair labor must be separately stated 48-8-3
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CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Jon C. Galbraith Administrative Specialist (404) 656-4060	Ed Raddigan Georgia DOT 404-651-9200	N/A	Ed Raddigan Georgia DOT 404-651-9200

SALES AND USE TAX

Rate	Exemptions	Reference
4% Retail 4% import for consumption .05% Wholesale	Casual sale: *Yes Fly-Away Exemption: No Dry Lease: No Wet Lease: No Sale of Aircraft Parts: No Aircraft Repair Parts: Yes Aircraft Repair Labor: Yes Commercial Operations: Yes	Casual sale 18-237-1 Sale: 237-13(2) Use: 238-2 Wet lease 237-13(9) Aircraft Repair Parts and Labor: 237-24.9

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.01/gal	4%	Bonded aviation fuel sold to air carriers coming from or going to foreign ports	237-12(2)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.01/gal	4%	Bonded aviation fuel sold to air carriers coming from or going to foreign ports	237-13(2)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	\$10 annual fee	19-31.1

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A

NOTES

Use Tax Scenario: Not taxable * Casual sales of aircraft are exempt from the general excise tax.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Lynne Kuroda Tax Specialist (808)587-1577	Technical section staff Tax Specialists (808) 587-1577	Technical section staff Tax Specialists (808) 587-1577	Morris Tamanaha General Aviation Officer (808) 838-8701

IDAHO

<http://www.state.id.us/tax/home.html>

SALES AND USE TAX

Rate	Exemptions	Reference
5% State Plus 4 resort city taxes: Sun Valley, Ketchum, Stanley and Lava Springs	Fly-Away Exemption:*Yes Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Yes, must separately state Commercial Operations: Yes	Sale 63-3612,63-3619, 63-363609 Fly away exemption 63-3622GG Use 63-3621 Dry lease 63-3612 Parts 63-3622GG Labor 63-3613

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.045/gal	None	None	Chapter 24, Title 63 63-3622C

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.055/gal	None	None	Chapter 24, Title 63 63-3622C

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	.01 per lb of aircraft gross weight, not to exceed \$200	Idaho code title 21

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Registration is fee in lieu of tax	21-114

NOTES

The aircraft must be taken from the point of delivery to a point outside the state; the aircraft will be registered immediately in another state or nation; the aircraft will not be used in this state more than 90 days in any 12-month period.
Sales Tax Scenario: Taxable

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Jim Husted Tax Policy Specialist (208) 334-7530	Randy Nilson Fuels Tax Policy Specialist (208) 334-7530	Alan Dornfest Tax Policy Supervisor (208) 334-7530	Pam Franco Admin Assistant (208) 334-8775

SALES AND USE TAX

Rate	Exemptions	Reference
State 6.25% Local 0%-2.75%	Fly-Away Exemption: * No Dry Lease: ** No Wet Lease: No Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable Commercial Operations: *** Yes, certified air carrier	Fly-Away 130.605(b) Lease 130.201 Exemption to lease: 130.2012

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.08/gal environmental impact fee .03/gal	6.25%	**** Yes	415 ILCS 125/310 35 ILCS 505/2a

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.08/gal environmental impact fee .03/gal	6.25%	**** Yes	415 ILCS 125/310 35 ILCS 505/2a

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	There is a biennial aircraft registration fee of \$20 per aircraft, regardless of size	620 ILCS 5/42

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A

NOTES

* To be exempt from Illinois Sales Tax the aircraft must be delivered by the seller to a point outside the State of Illinois (130.605(b) or ** * sold to certified air carrier and must be used as rolling stock (130.340)
 ** The sale of an aircraft to a lessor is taxable(130.2010) Receipts from the leasing of aircraft are not taxable. Exemptions include sales to lessors who will lease the aircraft to certified air carriers or to lessors who will lease to a unit of the Federal, State, or local government
 **** There are 2 excise taxes on aviation fuels in Illinois. In this state each tax is imposed on the receiver who first sells or uses the fuel. Receivers of aviation fuel located at an airport with (1) over 170,000 operations per year (2) located in a city of more than 1,000,000 inhabitants are exempt from both of these taxes; Sales and Use Tax Scenario: Parts only would be taxable.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Mark Russel, Manager Sales Tax Research (217) 782-9819	Mark Russell, Manager Sales Tax Research (217) 782-9819	Mark Russell, Manager Sales Tax Research (217) 782-9819	Brenda Brennan, A/C Registration Specialist (217) 785-8514

INDIANA

<http://www.ai.org/dor/index.html>

SALES AND USE TAX

Rate	Exemptions	Reference
5%	Fly-Away Exemption: * Yes Dry Lease: No Wet Lease: No Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable Commercial Operations: Yes, non-resident scheduled	Sale IC 6-2.5-3 Use IC6-2.5-3 1 to 8 Dry lease IC6-2.5-4-10 Wet lease IC6-2.5-4-10 Aircraft Parts IC 6-2.5-3 No credit for use tax 2.2-3-17 Trade in credit 2.2-3-6 (e)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.008/gal Oil inspection fee	5%	Export and international operations	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.15/gal Oil inspection fee	5%	**	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	There is a \$10 annual registration fee imposed on each aircraft. Additionally, there is an excise tax that is based on the class, age and weight of the aircraft then reduced by a partial credit of excise tax paid on aircraft sold during the calendar year.	State form 7695

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A

NOTES

* Non-resident removes aircraft immediately from Indiana and completes state form ST 137

** Retailers of aviation gasoline (FBO) can purchase av-gas tax free by applying for an "aviation fuel permit." If the user (operator) is charged this tax by the FBO the operator can submit form 4136 with the original invoices for refund.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Alice Quakenbush Admin. Aircraft Tax (317) 232-1497	Sharon McKinney (317) 615-2619 www.AI.ORG/LEGISLATIV/IC/COD E/TITLE6/CH/.HTML IC 6-601.1-302	N/A	Indiana Dept of Revenue Compliance Division

SALES AND USE TAX

Rate	Exemptions	Reference
5% *	Fly-Away Exemption: Yes, removed within 30 days Dry Lease: Yes, if lease period greater than 60 days Wet Lease: Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Casual sale 422.45(6) Sale 422.45(4) Use 423.2 Dry lease 422.45(2) Aircraft parts 422.45(38)(a) 422.45(38)(b)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.03	None	None	422.45(11)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.08	None	None	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	(Manufacturers list price)(1%) = 1st years fee; 2nd year = .75%; 3rd year = .50%; 4th year and older use .25%. The minimum registration fee is \$35 and the maximum fee is \$5,000 annually.	Chapter 328.20 Administrative Rule chapter 750

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A

NOTES

Sales and Use Tax Scenario: Taxable parts and labor
An excise tax is imposed on the use in this state of tangible personal property, including aircraft subject to registration under section 328.20. So even though aircraft are exempt from sales tax, aircraft are subject to the use tax.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Darwin Clupper Technical Tax Specialist (515) 281-3670	Ed Henderson Tax Specialist (515) 281-8457	N/A	Karen Hammond Clerk Specialist (515) 237-3138

KANSAS

This state's information last updated 8/01

<http://www.ink.org/public/kdor>

SALES AND USE TAX

Rate	Exemptions	Reference
4.9 % Local 0% - 2%	Fly-Away Exemption: Yes ¹ Dry Lease: No Wet Lease: Yes Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes ²	Fly-away 79-3606(k) Sales and Use 79-3603 Commercial Use: Kansas Stat. 79-3606(g) Kansas Admin. Regs 92-19-57(c)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	4.9%	N/A	Kansas Stat. 79-3606(f)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	4.9%	N/A	Kansas Stat. 79-3606(f)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Aircraft that are regularly and exclusively used to earn income for the owner in the conduct of business are exempt.	Local taxing districts

NOTES

Sales and Use Tax Scenario: Not taxable

¹ Must be sold to a non resident, removed from the state within 10 days, and based in another state.

² Interstate Certified or Licensed Common Carrier

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Taxpayer Services (877)526-7738	Taxpayer Services (877)526-7738	Property Valuation (785)296-2365	Mike Armour Director Division of Aviation (785) 296-7449

SALES AND USE TAX

Rate	Exemptions	Reference
6% There are no local sales and use taxes in the state	Sales and Use: *Dealers Fly-Away Exemption: No Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: Commercial Aircraft Repair Parts: Commercial Aircraft Repair Labor: Not taxable Commercial Operations: Yes	Sale and Use KAR 103 26:050 Dry and Wet lease KAR 103 28:051 Parts KAR 103 26:050/27:150 Repair Labor KRS 139.050

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
No	*6%	N/A	KRS 139.100

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
16.4	* 6%	All users of av-gas are entitled to a .15 partial refund.	KRS139.100 138.341/138.210/138.220

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Rates vary widely over 120 taxing districts.	Local taxing districts

NOTES

* Dealers who execute a resale certificate (Form 51A105) subsequently used by the dealer for his/her own use are subject to use tax.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Sales & Use Tax Section (502) 564-5170	Joseph G. Hall Tax Consultant (502) 564-6843	Not available	Arthur Pace Division of Aeronautics (502)564-4480

LOUISIANA

<http://www.rev.state.la.us>

SALES AND USE TAX

Rate	Exemptions	Reference
4%	Fly-Away Exemption: * Limited Dry Lease: No Wet Lease: Yes Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes, commuter airlines	Fly-Away: R.S. 47:301(10)(m) Commuter airlines: R.S. 47:301(7)(d)/(10)(k)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	4%	No	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.20/gal**	4%***	See notes	47:305(D)(1)(a)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Imposed by individual parishes	Local taxing districts

NOTES

Use Tax Scenario: Taxable

* Must be a "Louisiana" manufactured passenger aircraft with a seating capacity in excess of 50 persons.

** Louisiana imposes a .20/gal tax on aviation gasoline. However, operators of aircraft are entitled to a refund. The operator must first register using form R-5329. After purchasing the fuel from a "registered refund dealer" and within 6 months of invoice date the operator submits form R-5334 for refund.

*** An exemption 47:305(D)(1)(a) "normally" exempts aviation gasoline from the entire 4% sales tax. However, currently 3% of the 4% tax exemption is suspended. It is possible that the entire 4% will be suspended in the near future, resulting in aviation gasoline be subject to the entire 4% sales tax.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
J.A. Cline LA Dept. of Revenue (225)925-3930	J.A. Cline LA Dept. of Revenue (225)925-3930	J.A. Cline LA Dept. of Revenue (225)925-3930	Anthony Culp Aviation Division (225)379-1242

SALES AND USE TAX

Rate	Exemptions	Reference
5% effective 07/01/00	Fly-Away Exemption: Yes, must be non-resident and removed immediately Dry Lease: No Wet Lease: No Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable if separately stated Commercial Operations: Yes	Title 36-1811 Casual sale 36-1764

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.034/gal	N/A	Excise tax: Jet fuel used on international flights of any commercial operation	2902(3)2903(1)2910

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.22/gal	5%	* .18 refund/persons using fuel in aircraft may file for a refund of the aviation gasoline tax less .04/gal	Title 36, Chapter 451, MSRA

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	There is a annual fee calculated with the blue book average equipped price multiplied by a millage rate which is dependent on aircraft age (i.e. 1 year or less 9 mills; 7 mills for second year; 5 mills for the 3rd year; 4 mills for the 4th year; and 3 mills for the 5th and succeeding years). The minimum tax shall be \$10.**	MRSA Title 6, chapter 4, section 53

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Only applies if fail to register in timely manner	Title 36, chapter 111, section 1482 (6)

NOTES

Sales and Use Tax Scenario: Taxable on parts only if labor separately stated.
 *Aviation gasoline refund request should be made to the State Tax Assessor and be accompanied by the original invoices. Applications for refund must be filed within 12 months from the date of purchase.
 ** Non residents of this state who operate aircraft within this state for compensation or hire shall pay 1/12 of the total excise tax as required in this subsection for each month or fraction thereof that the aircraft remains in the state.

MAINE (CONT.)

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Elmer Pelletier Dept. Director (207) 624-9748	Elmer Pelletier Dept. Director (207) 624-9748	Elmer Pelletier Dept. Director (207) 624-9748	Christie Reynolds Clerk Typist II (207) 287-2577

SALES AND USE TAX

Rate	Exemptions	Reference
5%	Fly-Away Exemption: No Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable, if separately stated Commercial Operations: *Yes	Fly away: COMAR 03.06.01.25 Sale: TG 11-101(F) Use: TG 11-101(L) Dry Lease: COMAR 03.06.01.28 Parts: TG 11-101(F) Repair parts and labor: COMAR 03.06.01.03 Commercial: COMAR 03.06.01.26

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.07/gal	5%	**	9-303/9-305

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.07/gal	5%	**	9-303/9-305

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A

NOTES

Use Tax Scenario: Parts only taxable if labor separately stated
 * More than 50% of miles, trips, or days must be interstate.
 ** Common carriage under Parts 121,127,129. An operator under Part 135 of the FARs if at least 70% of the aviation fuel is used in common carriage of individuals or property.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Robert Strohminger Revenue Specialist (410) 767-1984	David L.Blackshear Regional Aviation Office (410)859-7064	David L Blackshear Regional Aviation Office (410)859-7064	David L Blackshear Regional Aviation Office (410)859-7064

MASSACHUSETTS

This state's information last updated 8/01

<http://www.state.ma.us/dor>

SALES AND USE TAX

Rate	Exemptions	Reference
<i>Note: Massachusetts did not respond to NBAA's survey.</i> 5% general tax rate Mass Gen L Chapter 64I 2	Casual Sale: No Fly-Away Exemption: None Found Dry Lease: None Found Wet Lease: None Found Sale of Aircraft Parts: None Found Aircraft Repair Parts: None Found Aircraft Repair Labor: None Found Commercial Operations: Yes	Casual Sale: Mass Gen L Chapter 64H 6(c) Trade In: 64 HX 27A Lease: Mass Letter ruling 84-75, 9/5/84 Commercial 64H 1

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
Maximum .05/gal	None	Tax is optional by local taxing authority	Mass Gen L Chapter 64H 6(j)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.10/gal	None	None	Mass Gen L Chapter 64H 6(j)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	* Annual aircraft registration fee which is based on the gross weight of the aircraft as follows: Less than 2,000 lbs. = \$75 2,001-3,500 lbs. = \$125 3,501-12,500 lbs. = \$175 Greater than 12,500 lbs. = \$225	702 CMR 3.03 801 CMR 4.02 MGL 90§49

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Registration is in lieu of personal property tax	N/A

NOTES

Aeronautics Commission will not register aircraft until owner furnishes proof that any sales taxes due have been paid or that none are due.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
None provided	Wayne Kerchner Chief Legal Counsel (617) 973-8884	N/A	Sandra Hofmanis Registration Clerk (617) 973-8883

SALES AND USE TAX

Rate	Exemptions	Reference
6%	Fly-Away Exemption: No Dry Lease: No Wet Lease: Yes Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Sales and Use/Dry Lease: 1979 AC, R205.12 Wet Lease Public Act 200 of 2000 Commercial PAs 204 or 200

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.03/gal	6%	Commercial flights (scheduled interstate) are entitled to a refund of .015/gal (excise tax)	Michigan General Sales Tax Act

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.03/gal	6%	Agriculture flight operations and flight testing are exempt from the sales tax	Michigan General Sales Tax Act

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	.01/lb applied to the Maximum Ramp Weight	MCL 259.76-79

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	The registration fee shall be in lieu of all property taxes on the aircraft, either general or local.	MCL 259.77 (4)

NOTES

Sales and Use Tax Scenario: Not taxable

*A registered lessor in Michigan has the option of either paying the sales tax upon acquisition or collecting the 6% use tax on the rental receipts. Must be registered with state for option to exist.

New motor fuel legislation is being proposed that could impact aviation fuel taxes.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Dale Vettel Administrator (517) 373-2746	Linda Fentor Manager, Motor Fuel Taxes (517) 373-3180	N/A	Norma Dietz Registration (517) 335-9283

MINNESOTA

<http://www.taxes.state.mn.us>

SALES AND USE TAX

Rate	Exemptions	Reference
6.5%	Fly-Away Exemption: * Yes Dry Lease: No Wet Lease: No Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable Commercial Operations: No	MS 297A/270.071 Sales Tax Fact Sheet ST-24 and UT-1A

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.05/gal	N/A	Purchases that exceed 50,000 gals for a calendar year are subject to a graduated refund	PDR-1 AV

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.05/gal	N/A	Purchases that exceed 50,000 gals for a calendar year are subject to a graduated refund	PDR-1 AV

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Nonscheduled operators	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Scheduled operators only	N/A

NOTES

Use Tax Scenario: Applies to parts only
** Effective 5/16/00, a non-resident who takes delivery of an aircraft as defined in MS 360.511 and approved by the FAA if transported out of state and not returned to Minnesota, except in the course of interstate commerce, occasional use, and subsequently registered in another state or country.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Robert Peck, Sales and Use Tax Specialist (651) 296-3535	Brian Rauscher Program Supervisor (651) 296-9326	Alan Whipple Mgr., State Assessed Prop. (651) 296-0338	Ray Rought, Director Aeronautics Office (612)-296-8046

SALES AND USE TAX

Rate	Exemptions	Reference
Sale of Aircraft: 3% Parts & Labor: 7%	Fly-Away Exemption: No Dry Lease: No Wet Lease: Yes Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: No	Mississippi Code 1972 Sale 27-65-17 Lease 27-65-23 Parts 27-65-17 Labor 27-65-23

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.0525	No	N/A	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.064	No	N/A	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Annual registration fees and penalties are based on the type and weight of aircraft. Fees range from \$25 to \$2,500.	Mississippi State Tax Commission 61-15-5

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No, if properly registered	All aircraft that are not registered by June 1 can be placed on the personal property tax rolls of the county in which it is based and are subject to ad valorem taxes.	N/A

NOTES

Sales and Use Tax Scenario: Parts only
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CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Taxpayer Services (601) 923-7015	Nancy Purvis Tax Administrator (601) 923-7150	N/A	Patsy B Brown Director – MVIB (601) 923-7131

MISSOURI

This state's information last updated 4/01

<http://www.dor.state.mo.us>

SALES AND USE TAX

Rate	Exemptions	Reference
4.225%	Fly-Away Exemption: No Dry Lease: No Wet Lease: Yes Aircraft Repair Parts: No Aircraft Repair Labor: Yes Commercial Operations: Yes	Missouri Revenue Stats. Sale, Use, Parts 144.020 Labor: 144.021/144.030 Aircraft Repair Labor: 144.021/144.030 Commercial: 144.021/.030

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	4.225%	None	MO Rev. Stat. 144.805-809

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.09	None	Agriculture Flight Operations	MO Rev. Stat. 144.030

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Taxable value is computed with published price guides. Rate of assessment is 33.3% of market value. The tax rate varies by county. However, the state average is approximately \$5.85/100 in assessed value. Commercial airlines can use apportionment method based upon miles flown in state and departures and arrivals.	Local taxing districts MO Rev. Stat. 155.020-070

NOTES

Sales and Use Tax Scenario: Not taxable

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Danny Hurst Tax Processing Tech II (573) 751-2836	N/A	Marilyn Baumber Mgr.-Original Assessment (573) 751-2414	N/A

SALES AND USE TAX

Rate	Exemptions	Reference
Montana does not have a sales tax	Sales and Use: N/A Fly-Away Exemption: Dry Lease: Wet Lease: Sale of Aircraft Parts: Aircraft Repair Parts: Aircraft Repair Labor: Commercial Operations:	N/A

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.04/gal	None	A Montana refinery or distributor who sells JP4 or JP8 to the Federal defense supply center is exempt from the tax. Scheduled passenger carrying airline operations are entitled to a partial refund of .02/gal	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.04/gal	None	N/A	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Annually, a resident who owns or purchases an aircraft and who customarily keeps that aircraft in the state must register it within 30 days of acquisition. Renewals are required by March 1 with a fee range of \$25 to \$3,000.	10% 67-3-201

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	An aircraft registration fee is charged in lieu of personal property tax.	N/A

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
N/A	Pat Gifford Manager (573) 751-2008	N/A	Michael D.Ferguson Administrator (406) 444-2506

NEBRASKA

This state's information last updated 4/01

<http://www.nol.org/revenue>

SALES AND USE TAX

Rate	Exemptions	Reference
5%	Fly-Away Exemption: 10 day Dry Lease: No Wet Lease: Not taxable Aircraft Repair Parts: No Aircraft Repair Labor: Yes, if separately stated Commercial Operations: Yes, must file exemption application	Nebraska Admin. R. & Reg. (R&R) Fly-away 1-067,03A Sale of aircraft 1-006,1-067 9-007 Use 1-002 Dry Lease 1-018 Wet Lease 1-067.04 Aircraft Parts 1-067 Aircraft Repair Labor 1-082 Commercial operations 1-067.03A

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.03/gal	None	N/A	NE Admin R&R 1-012.02b

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.05/gal	None	N/A	NE Admin R&R 1-012.02b

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	The tax is levied at the county level. ¹ In Douglas County (Omaha), the assessment is based actual cost and on a "five year recovery period." Year 1 is 85%; Year 2 is 59.5%; Year 3 is 41.65%; Year 4 is 24.99%; and Year 5 is 5.33%. Each taxing district then applies its own millage rate. In Omaha Taxing District, the millage is 1.90625.	Local taxing districts

NOTES

Use Tax Scenario: Parts only if labor separately stated.

¹ Legislative Law 775: Allows qualified businesses that have local headquarters in Nebraska to exempt aircraft from taxation. To be qualified the company must invest \$10 mil in property and hire 100 full-time equivalent employees.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Cliff Thomas Tax Law Conferee Legal Division (402) 471-5676	Janet Stege Administrator (402) 471-5678	Lazaro Florez Personal Property Tax Assessment (402)471-5984	N/A

SALES AND USE TAX

Rate	Exemptions	Reference
6.5% to 7.25%	Sales and Use: No Fly-Away Exemption: No Dry Lease: **No Wet Lease: No Aircraft Repair Parts: No Aircraft Repair Labor: Yes, must be separately stated Commercial Operations: Yes Resale: Yes Common Carrier: No	Sale & Use NRS 372.085,105 and 185 *Fly-away NRS 372.365(1c) Lease NAC 372.050,070,080,and 085 Parts/Repair: NRS 374.322, 372.065(3c) Rate NRS 372.185/374.190/377.040 Casual Sale NRS 372.035/372.325 Commercial Operations NRS 372.317/374.322 Common Carrier NRS 374.322

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.01/gal State ***.04/gal County	N/A	N/A	NRS 365.170 NRS 365.203 Copies can be downloaded at www.leg.state.nv.us

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.02/gal State ***.08/gal County	N/A	N/A	NRS 365.170 NRS 365.203 Copies can be downloaded at www.leg.state.nv.us

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	Aeronautics Title 44 Chapters 493-498

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	A factor based on the aircraft acquisition date is applied to the actual acquisition cost. Then, based on a 20 year life, a state developed depreciation table is applied. The statewide 35% assessment ratio and the tax rate established by the local taxing authority follow. Although a statewide average is not available, the maximum local tax rate is \$3.64 per \$100.	NRS 361.260 NRS 361.265 NAC 361.137

NEVADA (CONT.)

This state's information last updated 8/01

NOTES

Sales and Use Tax Scenario: Not taxable

* All sales/transfers of aircraft that occur within the state are subject to Nevada sales tax regardless of the immediate/subsequent disposition of the property.

** Lessors of aircraft are the consumers of the property and are liable for the tax.

*** A board of county commissioners may by ordinance impose a tax of not more than the stated amount.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Ruth Jones Dept. of Revenue (775) 687-6488 Fax: (775) 687-5981	Carmen Shipman (775) 687-4842	Bruce Gustafson (775) 687-6610 bguseafs@ govmail.state.nv.us	Jim Mallery Av. Mgr., Aeronautics Dept. (775) 888-7464 www.nevadadot.com

SALES AND USE TAX

Rate	Exemptions	Reference
N/A	No sales tax in New Hampshire	N/A

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.02/gal	N/A	Part 121 Operations .005/gal.	422:39a

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.04/gal	N/A	N/A	422:39

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Yearly registration fee of \$30 for residents and \$40 for non-residents plus yearly aircraft operating fee of \$.01 per pound of maximum certified gross weight plus the applicable number of mills per dollar of manufacturer's list price. The amounts of mills are reduced throughout the life of the aircraft.	RSA 422:37

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Registration fee is in lieu of personal property tax	N/A

NOTES

None

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
N/A	Alan Dobrowolski Aviation Program Supervisor (603) 271-1094	N/A	Alan Dobrowolski Aviation Program Supervisor (603) 271-1094

NEW JERSEY

This state's information last updated 5/01

<http://www.state.nj.us/treasury/taxation>

SALES AND USE TAX

Rate	Exemptions	Reference
6%	Fly-Away Exemption: Yes, purchaser must be non-resident Dry Lease: No ¹ Wet Lease: Yes Aircraft Repair Parts: Yes ² Aircraft Repair Labor: Yes ² Commercial Operations: Yes ³	Rate 54:32B-3 Fly-Away 54:32B-10 Dry Lease 54:32B-2(bb) Wet Lease 54:32B (aa) Parts 54:32B-8.35 Labor 54:32B-8.35 Commercial 54:32B-8.35a NJSA 54:32B-8.7

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.02/gal	None	See notes ⁴	NJSA 54:39-27a

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.125/gal	None	See notes ⁵	NJSA 54:38-27a

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N.J.S.A. 6:1-97

NOTES

Sales and Use Tax Scenario: Not taxable. / ¹ Dry lessor is considered the end user. However, where an aircraft lease is involved, at the election of the lessor, the tax can be paid on the lessor's purchase price or the amount of the total of the lease payments. "Lease" is defined as a transfer of control for more than 28 days. The tax is due at the commencement of the lease. Where aircraft rental (less than or equal to 28 days) is involved, the lessor must pay sales or use tax on the purchase price and the lessee must pay tax on each rental payment. / ² Aircraft with MTOW of greater than 6,000 lbs. and air carriers with principal place of operations in New Jersey and engaging in intrastate, interstate or foreign air commerce. / ³ Air carrier must have principal place of operations within New Jersey and engage in intrastate, interstate or foreign air commerce. / ⁴ Jet fuel users typically have seller/user licenses and do not pay tax. / ⁵ .105 of aviation gasoline tax is refundable; 54:39-66(e).

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Tax Payer Services Division of Taxation (609)292-5995	Joseph O'Gorman Asst. Chief, Office Audit Branch (609) 984-7171	Nicholas Catalano Chief, Regulatory Services (609) 292-5994	Theodore Matthews Acting Executive Director Division of Aeronautics (609)530-2080

SALES AND USE TAX

Rate	Exemptions	Reference
5.125% - 7.1875% includes local rate	Sales and Use: Yes* Fly-Away Exemption: No Isolated Sales: Yes Dry Lease: No Wet Lease: Yes Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Sale: 7-9-62/7-9-28 Use: 7-9-77/7-9-7.1/7-9-30 Commercial operations: 7-9-30 NMSA 1978 Dry lease 7-9-3(f) Wet lease 2.49.8.5 Parts and Labor: 7-9-3(f)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	5.125%-7.1875% less 40% reduction for aircraft use	N/A	Partially 7-9-83/7-9-84 and 7-1.6.7

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	5.125%-7.1875% less 40% reduction for aircraft use	N/A	7-9-83/7-9-26/7-13-17 NMSA 1978

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Annually, based on manufacturers maximum gross weight and age of aircraft. Must register within 15 days of purchase or lease and bringing aircraft into state. One year old: MGW(.02) Two years old: MGW(.0175) Three years old: MGW (.015) Four years old: MGW(.0125) Five years old: MGW(.01) Registration certificates for part of the year issued after July1 shall be issued at 50% of the annual fee.	Time of registration 64-4-5 Fees 64-4-11 Disposition of fees 64-4-14

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Registration is in lieu of personal property taxes	64-4-11(b)

NEW MEXICO (CONT.)

NOTES

Sales and Use Tax Scenario: Not taxable

* Sales tax is known as gross receipts tax with 100% deduction for sales by aircraft manufacturers and 50% deduction for all other sales. Sale of aircraft by an aircraft manufactured in New Mexico. Receipts from refurbishing, remodeling or otherwise modifying aircraft over 65,000 lbs.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Jeanne Flannery Manager, Tax Information Policy Office (505) 827-0908	Natalie Benavidez Tax Compliance Specialist (505) 827-0774	Richard Martinez Appraisal Specialist (505) 827-0895	Shirley Paiz Financial Specialist (505) 827-1525

SALES AND USE TAX

Rate	Exemptions	Reference
4% State 2.75% -4.5% Local	Fly-Away Exemption: No Dry Lease: No Wet Lease: Yes Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Sales: NY Tax Law Sec. 1105(a) Use: 1110 Dry Lease: 1105(a) Aircraft Repair Labor: 1105(c)(3) Commercial: TSB-M-96(14)S; NY Tax Law Sec. 1115(a)(21)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.08/gal (1998 info.)	4%	Qualifying airlines are exempt from sales and excise taxes. G/A users may apply for refund of the excise tax. Refund application is the form PT-960.	<i>New York did not respond to survey regarding 2000 excise tax.</i>

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.08/gal (1998 info.)	4%	G/A users may apply for refund of the excise tax. Refund application is the form PT-960.	<i>New York did not respond to survey regarding 2000 excise tax.</i>

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A

NOTES

Sales and Use Tax Scenario: Parts and labor taxable

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Taxpayer Assistance Bureau (800) 225-5829	None provided	N/A	N/A

NORTH CAROLINA

<http://www.state.nc.us/dor>

SALES AND USE TAX

Rate	Exemptions	Reference
Sale, Use, Dry Lease 3% up to a maximum \$1,500 Aircraft parts 4% State, 2% local except 2.5% Mecklenberg County	Casual Sale: Yes Fly-Away Exemption: No Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: Yes, commercial operators Aircraft Repair Parts: Yes, commercial operators Aircraft Repair Labor: Not taxable Commercial Operations: fuel, lubricants, repair parts and accessories.	Casual Sale N.C.G.S. 105-164.3(1) Sale 105-164.4(a)(1b) Use 105-164.6 Dry Lease 105-164.4(a)(1) 105-164.4(a)(2) Technical bulletins 23-1 Parts 105-164.4(a)(1) Technical Bulletin 43-2

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	4% State, 2% local, 2.5% Mecklenberg County	Certain Charitable organizations	105-164.4(a)(1) Technical bulletin 43-2

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	4% State, 2% local, 2.5% Mecklenberg County	Certain Charitable organizations	105-164.4(a)(1) Technical Bulletin 43-2

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Yearly *(Original cost basis) (assessment)(local rate)	Local taxing districts

NOTES

Use Tax Scenario: Parts are taxable, labor must be separately stated on the customer's invoice and the vendor's invoice.
*Initial assessment rate is 92.5% and declines yearly by 8.50% to a floor of 30% of original cost for Stage 2 aircraft and 50% of original cost for Stage 3 aircraft. North Carolina will consider pricing guide information if supplied by taxpayer. The statewide average tax rate is .007.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
William C Shelton Administration Officer (919) 733-2151	N/A	Bill Wilkes Utility Property Tax Analyst (919) 733-7711	N/A

SALES AND USE TAX

Rate	Exemptions	Reference
5% Sales tax on parts 5% Excise on aircraft sales	Sales and Use: No Fly-Away Exemption: *No Dry Lease: Taxable/no exemption Wet Lease: Taxable/ no exemption Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable Commercial Operations:	Parts 57-39.2-02.1 Excise imposed 57-40.5-02 Presumption 57-40.5-07 Credit 57-40.5-08

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.08/gal	No	Purchase for resale or use tax imposed by another state	North Dakota Century Code 57-43.3-02

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.08/gal	No	Purchase for resale or use tax imposed by another state	NDCC 57-43.3-02

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Annually. First step based on aircraft gross weight fees, ranging from \$50 to \$3,000; Second step on weight, each year reduce registration fee by 10% until the fee reaches a figure equal to 50% of the original registration fee.	NDCC 02-05-11 57-40.5-07

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A

NOTES

* 57-40.5-07 Evidence that an aircraft was sold for delivery in this state is prima facie evidence that it was sold for use in this state; Use Tax Scenario: Parts only if separately stated.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Gary Anderson Dir., Sales & Special Taxes (701) 328-3471	Joan Galster Motor Fuel Tax Supervisor (701) 328-3139	N/A	Sheila M Pitzer Registrar/Account Tech (701) 328-9651

OHIO

<http://www.state.oh.us/tax>

SALES AND USE TAX

Rate	Exemptions	Reference
5% State .25% - 3% local authorized	Fly-Away Exemption: No Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: * Yes	Sale, dry lease and aircraft parts 5739.02(a) Use 5741.02 (a)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	5%	No	5739.02(a)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
N/A	5%	No	5739.02(a)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Annual fee based on a maximum seating capacity: one to two persons, \$6; three persons, \$8; four persons, \$12; five persons, \$15; over 5 persons, \$15 plus \$5 for each person in excess thereof.	4561.17 Exceptions 4561.18 Tax rates 4561.19 Certificate of registration 4561.21 Disposition of fees

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Exempt as long as properly registered (Net book value) (25 % assessment)(mills, statewide average is 73 mills). Net book value is original basis less book accumulated depreciation.	N/A

NOTES

* Airlines offering scheduled service to the general public for published rates are considered to be public utilities.
Sales and Use Tax Scenario: Taxable parts and labor. Credit given for sales tax paid to other states.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
William Riesenberger Counsel, Sales & Use Tax Division (614) 466-4810	N/A	Rick Anthony Administrator (614) 466-3280	Carol Johnson Office of Aviation (614) 793-1233

SALES AND USE TAX

Rate	Exemptions	Reference
Aircraft Excise Tax 3.25% ¹ Sales Tax 4.5%	Fly-Away Exemption: Limited ² Dry Lease ³ Wet Lease: Not taxable Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable Commercial Operations: No	Oklahoma Statutes Fly-away: 68 O.S. 1357v2 Parts 68 O.S. 1354

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.0008/gal	N/A	No	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.0008/gal	N/A	No	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Aircraft registration fees are based on the gross weight, date of manufacture and type of aircraft. The fees range from \$10 for a single engine piston aircraft of less than 1,750 lbs. On up to \$15,000 for turbo-jet aircraft weighing in excess of 100,000 lbs. Fees are reduced 10% for each year after date of manufacture to a minimum of 50% of the original fee.	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Registration fees are in lieu of property taxes.	N/A

NOTES

Sales and Use Tax Scenario: Not taxable. / ¹ Excise tax is in lieu of sales tax on purchase of aircraft.
² Fly-away: Very limited to aircraft under going major modification, certain weight class, at qualifying facility.
³ Rentals are taxable; however, leases involving registration are exempt if aircraft excise tax is due.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Taxpayer Assistance Division (405) 521-3133	Jack Spalding Supervisor, Audit Division (405) 521-3251	Jerry Webb Taxpayer Asst. Division (405) 522-0020	Steve Vaughn Taxpayer Asst., Repres. III (405) 521-3271

OREGON

<http://www.dor.state.or.us>

SALES AND USE TAX

Rate	Exemptions	Reference
Oregon does not have a general sales tax.	Fly-Away Exemption: N/A Dry Lease: Wet Lease: Sale of Aircraft Parts: Aircraft Repair Parts: Aircraft Repair Labor: Commercial Operations:	N/A

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.01/gal	No	Export and international flights	ORS 319.020

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.09/gal	No	Export and international flights	ORS 319.020

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Annual registration fee based on the type of aircraft. These fees range from \$37 for a sail plane to \$187 for a turbojet.	ORS 837.015

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Generally, aircraft are exempt from property taxation and pay registration fees to the Department of Transportation. Commercial airlines are only partially exempt.	ORS 837.040-.045

NOTES

None

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
N/A	Marilyn Lorange Oregon Dept. of Transportation (503) 378-4880	Randy Evers Administrator (503) 945-8001	Deb Schoenborn Registration Specialist (503) 378-4880

SALES AND USE TAX

Rate	Exemptions	Reference
6% State 1% Local	Fly-Away Exemption: No Dry Lease: No ¹ Wet Lease: Yes ² Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes ³	Fly-Away Reg. 32.5 Dry Lease Reg. 31.4 Sale: 61Pa Code 58.8 Occasional Sale: 61 32.4(7) Commercial Operations Reg. 32.1 and 32.34

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.020/gal	N/A	No	75 PS 9004 and 74 PS 6131

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.043/gal	N/A	No	75 PS 9004 and 74 PS 6121

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	N/A	N/A

NOTES

Sales and Use Tax Scenario: Parts and labor taxable
¹ Dry Lease: The rental or lease of an aircraft is subject to sales and use tax. If an aircraft is purchased for the predominate purpose of renting or leasing, then the purchaser can claim the resale exemption.
² Wet Lease: Sales tax is due on the lease or rental of an aircraft with the services of an operator.
³ Commercial operations will be exempt from sales and use tax if they qualify under the public utility exemption in Reg. 32.1 or if they claim another exemption, such as a purchase for resale or lease.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Marianne Rempe Asst. Counsel (717) 787-1382	Paul M. Sload Jr. Supervisor (717) 783-2518	Ken Henderson Deputy Chief Counsel (717) 787-1382	N/A

RHODE ISLAND

<http://www.doa.state.ri.us>

SALES AND USE TAX

Rate	Exemptions	Reference
7%	Casual Sale: No Fly-Away Exemption: No Dry Lease: No Wet Lease: * Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable Commercial Operations: Yes	Casual sale : 94-18 Airplane rentals 87-4

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
No	No	N/A	44-18-30(6)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
No	No	N/A	44-18-30(6)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	**Annually, and is based on gross weight of aircraft: Less than 2,000 lbs.= \$30 2,001-3,000 lbs.= \$60 3,001-4,500= \$110 4,501-12,500 lbs.= \$160 more than 12,500 lbs.= \$250	PL 1-4-6

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	The aircraft registration fee is charged in lieu of the personal property tax.	N/A

NOTES

Use Tax Scenario: Parts taxable, labor exempt if separately stated.

*Although retailers of airplanes, who use the airplanes for conducting charter flights and pilot instruction, are not subject to use tax, all income received from such operations and from renting airplanes to qualified pilots are regarded as rentals and subject to sales tax.

**Nonresidents may not operate for more than 10 consecutive days in any calendar year before registration.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Paul Mcvay Chief Revenue Agent (401) 222-2950	N/A	N/A	Debbie Odell Aircraft Regist. Processor (401) 737-4000

SALES AND USE TAX

Rate	Exemptions	Reference
State 5% Local 1-2%	Sales and Use: maximum \$300 and exempt from local Fly-Away Exemption: No Dry Lease: Yes, if in excess of 90 days and in writing Wet Lease: Yes Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Yes, separately stated Commercial Operations:	Lease or Sale: 12-36-910 12-36-2110(a)(1) Fly-Away: Code section 12-36-2120 36, Private Letter Ruling #88-23 Wet Lease: Regulation 117-174.231 Parts: 12-36-910 12-36-1310 Labor: Regulation 117-174.254

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	5%	12-36-2120(9) Transportation Companies	R/R 97-12

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	5%	12-36-2120(9) Transportation Companies	R/R 97-12, 122 120(15)(a)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	(Blue Book Low Wholesale) (10.5% assessment)(271 Average Millage)= Tax	Local taxing districts

NOTES

Sales and Use Tax Scenario: Parts only if separately stated from labor.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Ulysses Byrd Tax Analyst (803) 898-5744	N/A	Len Callahan Utility Assessment Sup. (803) 898-5483	Ira "Bud" Coward Director Division of Aeronautics (803)896-6261

SOUTH DAKOTA

<http://www.state.sd.us//revenue>

SALES AND USE TAX

Rate	Exemptions	Reference
*4% Additional tax for original registration 4% Sales tax (leases, parts, labor)	Sales and Use: No Fly-Away Exemption: Yes Dry Lease: No Wet Lease: Intrastate is taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Original registration is dedicated 50-11-19 DOT Dry Lease 10-45-5.4 Wet Lease 10-45.12.1 Aircraft Parts 10-45-2 Repair Labor 10-45-5

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.04/gal.	No	None	10-47B4

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.06/gal.	No	None	10-47B4

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	Annual fee depends on MTOW and ranges from \$25-\$300. The fee for aircraft greater than 10 years old is half of the amounts listed on schedule.	50-11-12 Fee schedule 50-11-14 Age of aircraft 50-11-18 In lieu of property tax

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Regularly scheduled airlines only	10-29-14

NOTES

*Thirty days are allowed for registration. Failure to pay the additional tax for original registration within 90 days of the due date shall result in a penalty of 10% of the tax due for each month, not to exceed two times the tax due. If an entity owns an aircraft and leases the pilots services, those services are taxable.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Jane Page (605)394-2332	Earl Coggins Sr. Revenue Agent (605) 394-2332	Audrey Nelson Property Tax Specialist (605) 773-3311	Aviation Services 605-773-3862

SALES AND USE TAX

Rate	Exemptions	Reference
* 6% State 1.5%- 2.75% Local	Sales and Use: *Partial Fly-Away Exemption: Yes, removed within 15 days Dry Lease: No, reduction does not apply Wet Lease:, Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Sales: TCA 67-6-225 Fly-away: TCA 67-6-313 Dry Lease: TCA 67-6-702 Wet Lease: TCA 67-6-204 Parts: 67-6-302,313,347 Labor: 67-6-302,383 Commercial: TCA 67-6-301,302,313 and 317

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.014	4.5%	Air common carrier for a flight destined for, or continuing from, a location outside the U.S.	TCA 67-6-217 TCA 67-3-1305 TCA 67-3-1509 TCA 67-3-1513

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.014	4.5%	Air common carrier for a flight destined for, or continuing from, a location outside the U.S.	TCA 67-6-217 TCA 67-3-1305 TCA 67-3-1509 TCA 67-3-1513

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	There is a tangible personal property tax on aircraft held for business use.	Local taxing districts

NOTES

Sales and Use Tax Scenario: Not taxable
* TCA 67-6-225 was amended effective 7/1/99 so that aircraft sales are subject to 6% on the first \$100,000 of the sales price, the excess is taxed at 3%. The reduced rate is to be repealed 07/01/01.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Robert Woods Aeronautics Division (615) 741-3280	Melvin Smith Tax Audit Supervisor (615) 741-8338	N/A	Kathy Sloan Contract & Budget Mgr. (615) 741-3208

TEXAS

<http://www.window.stste.tx.us/>

SALES AND USE TAX

Rate	Exemptions	Reference
State 6.25% City, County and special purpose district and transfer rates vary, but will not exceed 2%	Casual Sale: Yes Fly-Away Exemption: Yes, non-resident purchaser Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable Commercial Operations: Yes, airlines and charter	Occasional Sale: 151.304 Fly Away: 3.297(c)(9) Sale and Use: Rule 3.297 Dry Lease: 3.294/3.297 Parts: Rule 3.292/3.297 Repair Labor: 3.292 Commercial: 3.297(a)(1)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	None	N/A	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
None	None	N/A	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Tangible personal property held for the generation of income is taxable. Assessment is 100 % of appraisal and millage rates vary widely. Except for a small percentage of local taxing districts personal property not held for the production of income is exempt. Generally speaking, \$2.50 per 100 may work as a rule of thumb.	Exemption 11.14 Appraisal 2301(b)

TEXAS (CONT.)

NOTES

Use Tax Scenario: Taxable, parts only if labor separately stated.

Sales or Use tax is not due on aircraft purchased by a person who uses the aircraft to provide flight instruction recognized by the FAA and designed to lead to a pilot certificate or rating issued by a rule or regulation of the FAA.

See rule 3.297 (c)(7) and (8).

An aircraft is not subject to use tax if it is hangared outside this state and is used more than 50% outside this state. Section 3.297(c)(3).

CONTACTS

Sales and Use

Excise Tax Fuel

Property

Registration

Ken Koch
Tax Specialist
(800) 531-5441 or
(512) 463-5986

Steve White
Supervisor,
(516) 463-4499

Dan Wilson
Executive Assistant
Property Tax Division
(512) 305-9806

Karon Wiedemann
Director, Grant
Management
(512) 416-4520

UTAH

This state's information last updated 8/01

<http://www.tax.ex.state.ut.us/>

SALES AND USE TAX

Rate	Exemptions	Reference
State 4.75% Local 1%- 3.6%	Casual sale: No Fly-Away Exemption: Limited Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Casual sale R865-195-38 Fly-Away UCA 59-12-104 (33) Sales, use, dry lease 59-12-103 Wet lease R865-195-32 Aircraft repair parts and labor 59-12-104 (5); Labor R865-195-78 Commercial operations 59-12-104(36)/59-12-102(3)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.09/gal 7-1-01	No	Reduced rate for Federally certificated air carriers	UCA 59-13-401

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.09/gal 7-1-01	No	Reduced rate for Federally certificated air carriers	UCA 59-13-401

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	\$25 balloon, glider, prop driven aircraft; \$5,000 jet aircraft with MTOW under 20,000 lbs.; \$10,000 jet aircraft with MTOW 20,000 lbs. or more.	UCA 72-10-110

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	In lieu of ad valorem property tax, a uniform fee is imposed on aircraft at a percentage of the * aircraft average wholesale market value, an assessment rate of 100% and a rate of 0.6% and 0.4% for 2001 and 2002, respectively.	UCA 59-2-404

NOTES

*The average wholesale market value is arithmetic mean of the average low wholesale book value and the average high wholesale book value as listed in the Aircraft Bluebook Price Digest; Average low equals "average equipped per base avgchange/invtry." Average high equals "change mktbl." Use Tax Scenario: Taxable.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Scott Smith Dept. of Revenue Sales and Use (801) 297-4673	Julie Jones Dept. of Revenue Fuel and AvGas (801) 297-4671	Harold Alston Salt Lake County Assessor (801) 468-2263 halston@co.sl.c.ut.us	Janice Perry Gully Community Relations Dir. (800) 662-4335 or (801) 297-3910

SALES AND USE TAX

Rate	Exemptions	Reference
5%	Fly-Away Exemption: No Resale: Yes, limited Dry Lease: No Wet Lease: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable, if separately stated Commercial Operations: Yes	32 VSA §9771/97 Sale to Lessor §9701(6) Sale for Resale §9701(5) Casual Sale §9741(4) Aircraft Excluded from Definition of Casual Sale §9701(12)(B) Manufacturing Exemption §9741(14) Repair Labor §9701(4) Common Carrier Exemption §9741(29)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
No	N/A	N/A	N/A

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.20/gal	5%	No	N/A

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	Aircraft are exempt from personal property taxes.	

NOTES

Sales and Use Tax Scenario: Parts are taxable

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Dennis Gray Internal Audit Supervisor (802) 828-2209	Dennis Gray Internal Audit Supervisor (802) 828-2209	N/A	Dennis Gray Internal Audit Supervisor (802) 828-2209

VIRGINIA

<http://www.tax.state.va.us/index.html>

SALES AND USE TAX

Rate	Exemptions	Reference
2% Sales, Use, Dry and Wet Lease Rates	Fly-Away Exemption: No Dry Lease: *No	Sales 58.1-1501 Use 58.1-1502
4.5% Parts and Repair Parts	Wet Lease: No Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: Not taxable if separately stated Commercial Operations: Airlines	Lease 5-14-97 Parts VAC 10-210-70

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.05/gal	None	**See notes	58.1-2116 (b)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.05/gal	None	**See notes	58.1-2116 (b)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	\$5 Non-commercial/ \$10 Commercial/\$50 Dealers/ \$75 Commercial Fleet	24 VAC 5-20-20

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	Assessed at local government level and vary greatly	

NOTES

* Except for registered dealers, leases are subject to the 2% sales and use tax for the aggregate amount of the lease payments on the front end of the lease. Virginia code 58.1-1501 defines the term "sale" to be "any transfer of ownership or possession of an aircraft by exchange or barter, lease or rental." If considered a sale the state will look to the lessee. If not considered a sale the state will look to the lessor.

**The tax rate on aviation jet fuel sold to a licensed aviation consumer is taxed at the rate of .05/gal on the 1st 100,000 gallons purchased for use in a fiscal year and is reduced to .005/gal purchased in excess of 100,000 gallons in the fiscal year (July 1-June 30)58.1-2116 (c).

Sales and Use Tax Scenario: Parts taxable, labor not taxable if separately stated PD 91-267.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Janice Cole Customer Service Rep. (804) 367-8098	Dorothy Anderson Senior Tax Examiner (804) 367-4329	Tom Morelli Sr. Prop. Tax Consultant (804) 367-8020	Carolyn Toth Program Support Tech. (Licensing) (804)236-3637

SALES AND USE TAX

Rate	Exemptions	Reference
6.5% State .05-2.1 % Local	Fly-Away Exemption: No Dry Lease: No Wet Lease: Not taxable Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Commerce WAC 458-20-175 Wet lease ETA 321.16.179/224

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.065/gal	6.5%	Interstate commerce	Excise tax RCW 82.08..050

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.065/gal	6.5%	Interstate commerce	Excise tax RCW 82.08.050

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	\$4 registration fee plus an excise tax ranging from \$28 for a home built to \$133 for a turbojet	10% dedicated to aviation RCW 47.68.25

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	As a general rule, aircraft that are exempt from the aircraft excise tax are subject to the personal property tax, and vice versa: Aircraft subject to the excise tax are not subject to the personal property tax.	N/A

NOTES

Use Tax Scenario: Parts only

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Taxpayer Services Division (360) 753-7782	Arthur Farley Special Projects Manager (360)664-1820	N/A	Randi Christenson Registration Program Mgr. (206) 764-4131

WEST VIRGINIA

<http://www.wvweb.net/taxrev/>

SALES AND USE TAX

Rate	Exemptions	Reference
6%	Fly-Away Exemption: No Dry Lease: Wet Lease: Sale of Aircraft Parts: No Aircraft Repair Parts: *Yes Aircraft Repair Labor: *Yes Commercial Operations: Yes	11-15 Sale of Aircraft 11-15A 11-15-9(a)(34) Aircraft Repair 11-15-9(b)(2) Commercial Title 110,code of State Rules, Series 15

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.0485	N/A	No	WV Code 11-15-18

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.0485	N/A	No	WV Code 11-15-18

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	(average retail)(60%)= assess- ment(\$2.25 to \$2.94avg) Average retail determined Aircraft Blue Book.	Local taxing districts

NOTES

* Must be commercial provider or governmental entity.
Use Tax Scenario: Not taxable.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Gail Kedward Tax Unit Manager (304) 558-8500	Joseph Palmer Dept. of Tax & Revenue (304)558-2051	Wade Thompson Asst. Director (304) 558-3940	N/A

SALES AND USE TAX

Rate	Exemptions	Reference
5% State 0.1% - 0.6% Local	Fly-Away Exemption: Yes Dry Lease: No Wet Lease: Yes Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes	Fly Away: 77.54(5)a Sale: 77.52 (1) Use 77.53(1) Dry Lease 77.53(1) Wet Lease rule tax 11.29(4)(b) Parts 77.52(1) Labor 77.52(2)(a)10

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.06/gal general aviation only	.03/gal fees for oil inspection	*	168-12 S. 77.54(11)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.06/gal general aviation only	.03/gal fees for oil inspection	*	168-12 S. 77.54(11)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
Yes	The aircraft registration fee is based on the gross weight and age of the aircraft ranging from \$30 to \$3,125 for aircraft weighing less than 2,000 pounds to more than 100,000 lbs. respectively.	Transportation 114.20

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
No	The registration fee is charged in lieu of property taxes. There is a property tax on airlines, which is collected by the State Department of Revenue.	Local taxing districts

NOTES

Sales and Use Tax Scenario: Parts and labor are taxable.
 *An allowance of .02/gal of general aviation fuel purchased in excess of 1,000,000 gallons per month is available. A person who purchases fuel for resale is not eligible for the allowance. 168.12(6)

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Inquiry and Technical Assistance (608) 266-2776	Bob Kunkel Bureau of Aeronautics (608) 266-2480	Jerry Smith, CAE Chief, Utility Taxes (608) 266-8660	Scott Brummond Chief (608) 267-2030

WYOMING

<http://www.revenue.state.wy.us/>

SALES AND USE TAX

Rate	Exemptions	Reference
4%	Fly-Away Exemption: No Dry Lease: No Wet Lease: Yes Sale of Aircraft Parts: No Aircraft Repair Parts: No Aircraft Repair Labor: No Commercial Operations: Yes, interstate carriers	Rate: W.S. 39-15-104 (a-c) Sale W.S. 39-15-103 (a)(i)b Charter W.S. 39-15-103(a)(i)(d) Lease 39-15-103(a)(i)(b) Commercial 39-15-105(a)(ii)(j)

JET FUEL TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.05/gal	No	None	W.S.39-15-105(a)(v)(c) W.S. 39-17-104(b)

AVIATION GASOLINE TAX

Excise Tax	Sales/Use Tax	Exemptions/Refunds	Reference
.05/gal	No	None	W.S.39-15-105(a)(v)(c) W.S. 39-17-104(b)

AIRCRAFT REGISTRATION FEES

Yes/No	How Applied	Reference
No	N/A	N/A

PERSONAL PROPERTY TAX

Yes/No	How Applied	Reference
Yes	*Commercial aircraft 9.5% and Industrial 11.5% rate of assessment based on fair market value. Tax rate applied varies greatly; however, 75 to 85 mills is a good average.	No

NOTES

Industrial versus commercial classification depends on owner's business. Converting raw materials to a product, oil, or coal business subjects the aircraft to the 11.5% assessment. Other businesses such as retail and services as well as the airlines would be subject to commercial assessment. Aircraft used solely for personal use are exempt.
Sales Use Tax Scenario: Parts only if labor separately stated.

CONTACTS

Sales and Use	Excise Tax Fuel	Property	Registration
Rick Morgan Taxability Specialist (307)777-5200	Sharon Gostovich Mgr. Fuel Tax Admin. (307) 777-4774	Jim Felton Local Assessment Sup. (307) 777-5325	Richard Spaeth Administrator (307) 777-3953