

# NBAA State Aviation Tax Report

Last updated May 2003

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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.

All information is subject to verification. Each state's information will change periodically, so you should use the state web sites and contact information provided to verify data or obtain the most recent data.

## ***Explanation: "Sales and Use Tax Scenario"***

NBAA contacted each of the 50 states about their state aviation tax requirements in order to create these pages. 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 in the "Notes" section, followed by the state's response to these questions.

## ***Disclaimer***

The NBAA Tax Conference, NBAA Tax Forums and NBAA reference publications 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         | Fly-Away Exemption: Limited <sup>1</sup>             | Sale 40-23-2(4)            |
| 2% State                 | Dry Lease: No  | Use 40-23-61(c)            |
| .01% to 3% Local         | Wet Lease: Not taxable                               | Dry Lease 40-12-222        |
| Dry Lease                | Sale of Aircraft Parts: No                           | Parts 40-23-2(1)           |
| 1.5% State               | Aircraft Repair Parts: No                            | Fly Away 40-23-4(a)37      |
| .375%-5% Local           | Aircraft Repair Labor: Not taxable                   | Commercial 40-23-4 (a)(40) |
| Aircraft Parts           | Commercial Operations: Airline<br>hub operators only |                            |
| 4% State/.5% to 5% Local |  |                            |

### 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

<sup>1</sup> 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<br>Revenue Examiner<br>(334) 242-1570 | Steve Dubose<br>Revenue Manager<br>(334) 242-9608 | Will Martin<br>Sup., Personal Prop. Valuation<br>(334) 242-1525 | John Eagerton<br>Aeronautics Director<br>(334) 242-4480 |

# ALASKA

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

## Sales and Use Tax

| Rate                        | Exemptions | Reference |
|-----------------------------|------------|-----------|
| No sales tax at state level | N/A        | 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<br>Director<br>(907) 269-6620 | Contact local municipalities | N/A          |

**Sales and Use Tax**

| Rate                              | Exemptions   | Reference   |
|-----------------------------------|--|---|
| 5.6%<br>Transaction Privilege Tax | Fly-Away Exemption: Yes<br>Dry Lease: No<br>Wet Lease: No<br>Aircraft Repair Parts: Yes<br>Aircraft Repair Labor: Yes<br>Commercial Operations: Yes <sup>1</sup> | Fly-Away: ARS 42-5061(B)(7)(c)/<br>42-5159(B)(7)<br>Dry Lease:42-5071<br>Wet Lease:42-5062<br>Aircraft/Parts:ARS 42-5061(B)(7) 42-5159<br>Credit:42-5159(A)<br>Casual Sale:R15-5-102<br>Resale: R5-15-101<br>Sale of Business:R15-5-103<br>First Use:ARS 42-5159(A)(6)<br>Common Carrier: 42-5061(B)(7)/<br>42-5159B7 |

**Jet Fuel Tax**

| Excise Tax | Sales/Use Tax | Exemptions/Refunds   | Reference      |
|------------|---------------|--|----------------|
| .0305      | No            | Any amounts over 10 million gallons are not taxed by the state | ARS 42-5352(A) |

**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, and 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. | ARS Sec. 28-8325<br>ARS Sec. 28-8336 |

**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**

<sup>1</sup> 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<br>Financial Analyst<br>(602) 542-3529 | Gary Adams, Director<br>Division of Aeronautics<br>(602) 294-9144 |

# ARKANSAS

<http://www.accessarkansas.org/dfa>

## Sales and Use Tax

| Rate                   | Exemptions   | Reference   |
|------------------------|--|---|
| 4.625% plus 1-4% local | Fly-Away Exemption: No<br>Dry Lease: No <sup>1</sup><br>Wet Lease: Not taxable<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: 12,500 lbs. MTOW or greater <sup>2</sup><br>Aircraft Repair Labor: 12,500 lbs. MTOW or greater <sup>2</sup> | 27-115-110(a)<br>ACA 26-52-301(3)(c)(vi)<br>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

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

<sup>2</sup> 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<br>Sales Tax Manager<br>(501) 682-1895 | N/A             | Debra Asbury<br>Deputy Director<br>(501) 304-9240 | N/A          |

**Sales and Use Tax**

| Rate   | Exemptions   | Reference  |
|--|--|--|
| 7.25% State<br>Combined Total State and Local up to 8.5% | Use Tax: Yes <sup>1</sup><br>Fly-Away Exemption: Yes <sup>2</sup><br>Dry Lease: No<br>Wet Lease: Yes<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Yes<br>Commercial Operations: Yes <sup>3</sup> | Commercial Operations: Regulation 1621 (b)(3)(B)<br>Sales and Use: Reg. 1593 including fly-away and exemption certificate<br>Repair Labor: Reg. 1546 <sup>4</sup><br>Lease: Reg. 1660 and 1661 <sup>5</sup><br>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 <sup>5</sup> | 7.25% plus local | See Note 5 below   | 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**

- <sup>1</sup> 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.
- <sup>2</sup> 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.
- <sup>3</sup> 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.
- <sup>4</sup> 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.
- <sup>5</sup> 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<br>(800) 400-7115<br><a href="http://www.boe.ca.gov">www.boe.ca.gov</a> | General Information<br>(916) 324-2300<br>Refunds<br>(916) 322-9695 | N/A      | Mike Farmer<br>(916) 654-5174 |

# COLORADO

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

## Sales and Use Tax

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

## Jet Fuel Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds                 | Reference |
|------------|---------------|------------------------------------|-----------|
| .04/gal.   | 2.9%          | Excise only<br>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<br>State Constitution Article X §6 |

## Notes

Use Tax Scenario: Not taxable

<sup>1</sup>The 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<br>Tax Examiner 4<br>(303) 866-3804 | Allen Stressmann<br>Fuel Tax Section<br>(303) 205-5655 | N/A      | N/A          |



**Sales and Use Tax**

| Rate | Exemptions   | Reference  |
|------|--|--|
| 6%   | Sale and Use: Yes<br>Fly-Away Exemption: Yes, limited<br>Resale: Yes<br>Casual Sale: Yes, limited by relationship<br>Dry Lease: No<br>Wet Lease: Yes<br>Aircraft Repair Parts: Yes, limited<br>Aircraft Repair Labor: Yes, limited<br>Commercial Operations: Yes | Sale and Use Manufacturer: 12-412.20 <sup>1</sup><br>MTOW > 6,000 lbs.:412.99 <sup>2</sup><br>Fly-away: 12-412(20)<br>Resale Certificate: 12-410<br>Casual Sale: 12-431<br>Rate:12-408<br>Define Purchase:12-408(7)<br>Trade-in: 12-430(4)<br>Parts:12-412.76 <sup>3</sup><br>Labor: 12-412.77 <sup>3</sup><br>Commercial:12-412(76)<br>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.)<br>Less than 3,000 . . . . . \$ 90.00<br>3,001–4,500 . . . . . \$ 250.00<br>4,501–8,000 . . . . . \$ 700.00<br>8,001–12,500 . . . . . \$1,500.00<br>12,500 and over . . . . . \$2,500.00 | Registration: Law §13b-39a<br>Fee § 13b-39d |

**Personal Property Tax**

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

**Notes**

- <sup>1</sup> Sale 12-412.20 exemption requires a manufacturer selling to a non-resident or common carrier involved in interstate commerce.
- <sup>2</sup> 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)
- <sup>3</sup> 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<br>(860) 297-5649 | Excise/Public Service Taxes<br>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 –<br>The gross receipts tax is the obligation of the seller and is activated by obtaining a business license<br>Retailer – .72%<br>Wholesaler – .384%<br>Service – .384% | Aircraft with MTOW greater than 12,500 lbs. are exempt from gross receipts tax.<br>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%.<br>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. | Chapter 29, Sec. 2909(l), effective 2/1/03<br>Chapter 43, Sec. 4305<br>Chapter 43, Sec. 4302 |

## 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<br>Division of Revenue<br>(302) 577-8265 | Robyn Bose<br>Account Specialist<br>(302) 744-2720 | N/A      | Harry Vanderhooval<br>Office of Aeronautics<br>(302) 760-2149 |

**Sales and Use Tax**

| Rate | Exemptions   | Reference   |
|------|--|---|
| 6%   | Casual Sale: No<br>Fly-Away Exemption: Yes <sup>1</sup><br>Dry Lease: No<br>Wet Lease: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Yes, limited by weight <sup>2</sup><br>Commercial Operations: Yes | Casual Sale:212.05(1)(a)<br>Fly-Away: 212.05(2)<br>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)<br>Exemptions 206.42 |

**Aviation Gasoline Tax**

| Excise Tax | Sales/Use Tax | Exemptions/Refunds       | Reference                           |
|------------|---------------|--------------------------|-------------------------------------|
| .06/gal.   | N/A           | International operations | Rate 206.42(4)<br>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**

<sup>1</sup> An aircraft purchased in this state cannot be returned to this state for repairs within six 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.  
<sup>2</sup> 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<br>(850) 922-4846 | N/A             | N/A      | William Ashbaker<br>State Aviation Manager<br>(850) 414-4500 |

# GEORGIA

<http://www2.state.ga.us/Departments/dor>

## Sales and Use Tax

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

## 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,<br>rates vary widely | Local taxing districts |

## Notes

<sup>1</sup> Repair labor must be separately stated 48-8-3

## Contacts

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

## Sales and Use Tax

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

## 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

<sup>1</sup> Casual sales of aircraft are exempt from the general excise tax.

## Contacts

| Sales and Use                                    | Excise Tax Fuel  | Property   | Registration  |
|--|--|--|---|
| Lynne Kuroda<br>Tax Specialist<br>(808) 587-1577 | Technical Section Staff<br>Tax Specialists<br>(808) 587-1577 | Technical Section Staff<br>Tax Specialists<br>(808) 587-1577 | Morris Tamanaha<br>General Aviation Officer<br>(808) 838-8701 |

# IDAHO

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

## Sales and Use Tax

| Rate  | Exemptions   | Reference   |
|---|--|---|
| 5% State plus four resort city taxes:<br>Sun Valley, Ketchum, Stanley<br>and Lava Springs | Fly-Away Exemption: Yes <sup>1</sup><br>Dry Lease: No<br>Wet Lease: Not taxable<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Yes, must<br>state separately<br>Commercial Operations: Yes | Sale: 63-3612,63-3619,63-363609<br>Fly-Away Exemption:63-3622GG<br>Use:63-3621<br>Dry Lease: 63-3612<br>Parts:63-3622GG<br>Labor: 63-3613 |

## Jet Fuel Tax

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

## Aviation Gasoline Tax

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

## Aircraft Registration Fees

| Yes/No | How Applied  | Reference           |
|--------|--|---------------------|
| Yes    | .01 per lb. of aircraft gross weight,<br>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

Sales Tax Scenario: Taxable

<sup>1</sup> 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.

## Contacts

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

**Sales and Use Tax**

| Rate           | Exemptions   | Reference                   |
|----------------|--|-----------------------------|
| State 6.25%    | Fly-Away Exemption: No <sup>1</sup>                            | Fly-Away: 130.605(b)        |
| Local 0%-2.75% | Dry Lease: No <sup>2</sup>                                     | Lease:130.201               |
|                | Wet Lease: No  | Exemption to Lease:130.2012 |
|                | Sale of Aircraft Parts: No                                     |                             |
|                | Aircraft Repair Parts: No                                      |                             |
|                | Aircraft Repair Labor: Not taxable                             |                             |
|                | Commercial Operations: Yes, certified air carrier <sup>1</sup> |                             |

**Jet Fuel Tax**

| Excise Tax                        | Sales/Use Tax | Exemptions/Refunds | Reference        |
|-----------------------------------|---------------|--------------------|------------------|
| .08/gal. environmental impact fee | 6.25%         | Yes <sup>3</sup>   | 415 ILCS 125/310 |
| .03/gal.                          |               |                    | 35 ILCS 505/2a   |

**Aviation Gasoline Tax**

| Excise Tax                        | Sales/Use Tax | Exemptions/Refunds | Reference        |
|-----------------------------------|---------------|--------------------|------------------|
| .08/gal. environmental impact fee | 6.25%         | Yes <sup>3</sup>   | 415 ILCS 125/310 |
| .03/gal.                          |               |                    | 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**

Sales and Use Tax Scenario: Parts only would be taxable.

<sup>1</sup> 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)

<sup>2</sup> 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

<sup>3</sup> There are two 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

**Contacts**

| Sales and Use   | Excise Tax Fuel   | Property  | Registration  |
|---|---|---|---|
| Mark Russel, Auditor,<br>Office Programs Division<br>(217) 782-9819 | Mark Russel, Auditor,<br>Office Programs Division<br>(217) 782-9819 | Mark Russel, Auditor,<br>Office Programs Division<br>(217) 782-9819 | Brenda Brennan, Aircraft<br>Registration Specialist<br>(217) 785-8514 |

# INDIANA

http://www.IN.gov/dor

## Sales and Use Tax

| Rate | Exemptions  | Reference   |
|------|---|---|
| 5%   | Fly-Away Exemption: Yes <sup>1</sup><br>Dry Lease: No<br>Wet Lease: No<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Not taxable<br>Commercial Operations: Yes, non-resident scheduled | Sale: IC 6-2.5-3<br>Use: IC6-2.5-3 1 to 8<br>Dry Lease: IC6-2.5-4-10<br>Wet Lease: IC6-2.5-4-10<br>Aircraft Parts: IC 6-2.5-3<br>No Credit for Use Tax: 2.2-3-17<br>Trade in Credit:2.2-3-6 (e) |

## Jet Fuel Tax

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

## Aviation Gasoline Tax

| Excise Tax                     | Sales/Use Tax | Exemptions/Refunds | Reference |
|--------------------------------|---------------|--------------------|-----------|
| .15/gal.<br>Oil inspection fee | 5%            | See Note 2 below   | 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

<sup>1</sup> Non-resident removes aircraft immediately from Indiana and completes state form ST 137

<sup>2</sup> 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<br>Admin. Aircraft Tax<br>(317) 232-1497 | Sharon McKinney<br>(317) 615-2619<br><a href="http://www.ai.org/legislative/ic/code/title6">www.ai.org/legislative/ic/code/title6</a> | N/A      | Indiana Dept of Revenue<br>Compliance Division |



**Sales and Use Tax**

| Rate            | Exemptions  | Reference   |
|-----------------|---|---|
| 5% <sup>1</sup> | Fly-Away Exemption: Yes, removed within 30 days<br>Dry Lease: Yes, if lease period greater than 60 days<br>Wet Lease: Not taxable<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: No<br>Commercial Operations: Yes | Casual Sale: 422.45(6)<br>Sale: 422.45(4)<br>Use: 423.2<br>Dry Lease: 422.45(2)<br>Aircraft Parts: 422.45(38)(a)<br>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    | (Manufacturer's list price)(1%) =<br>1st year's fee<br>2nd year = .75%<br>3rd year = .50%<br>4th year and older, use .25%<br>The minimum registration fee is \$35 and the maximum fee is \$5,000 annually. | Chapter 328.20<br>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

<sup>1</sup> 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<br>Technical Tax Specialist<br>(515) 281-3670 | Ed Henderson<br>Tax Specialist<br>(515) 281-8457 | N/A      | Karen Hammond<br>Clerk Specialist<br>(515) 237-3138 |

# KANSAS

<http://www.ksrevenue.org>

## Sales and Use Tax

| Rate                   | Exemptions   | Reference  |
|------------------------|--|--|
| 4.9 %<br>Local 0% – 2% | Fly-Away Exemption: Yes <sup>1</sup><br>Dry Lease: No<br>Wet Lease: Yes<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: No<br>Commercial Operations: Yes <sup>2</sup> | Fly-Away: 79-3606(k)<br>Sales and Use:79-3603<br>Commercial Use:<br>Kansas Stat.:79-3606(g)<br>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

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

<sup>2</sup> Interstate Certified or Licensed Common Carrier

## Contacts

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

### Sales and Use Tax

| Rate  | Exemptions  | Reference   |
|---|---|---|
| 6%<br>There are no local sales and use taxes in the state | Sales and Use: Dealers <sup>1</sup><br>Fly-Away Exemption: No<br>Dry Lease: No<br>Wet Lease: Not taxable<br>Sale of Aircraft Parts: Commercial<br>Aircraft Repair Parts: Commercial<br>Aircraft Repair Labor: Not taxable<br>Commercial Operations: Yes | Sale and Use: KAR 103 26:050<br>Dry and Wet Lease: KAR 103 28:051<br>Parts:KAR 103 26:050/27:150<br>Repair Labor: KRS 139.050 |

### Jet Fuel Tax

| Excise Tax | Sales/Use Tax   | Exemptions/Refunds | Reference   |
|------------|-----------------|--------------------|-------------|
| No         | 6% <sup>1</sup> | N/A                | KRS 139.100 |

### Aviation Gasoline Tax

| Excise Tax | Sales/Use Tax   | Exemptions/Refunds  | Reference                             |
|------------|-----------------|---|---------------------------------------|
| 16.4       | 6% <sup>1</sup> | All users of av-gas are entitled to a .15 partial refund. | KRS139.100<br>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

<sup>1</sup> 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<br>(502) 564-5170 | Joseph G. Hall<br>Tax Consultant<br>(502) 564-6843 | N/A      | Arthur Pace<br>Division of Aeronautics<br>(502) 564-4480 |

# LOUISIANA

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

## Sales and Use Tax

| Rate | Exemptions  | Reference  |
|------|---|--|
| 4%   | Fly-Away Exemption: Limited <sup>1</sup><br>Dry Lease: No<br>Wet Lease: Yes<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: No<br>Commercial Operations: Yes,<br>commuter airlines | Fly-Away: R.S.47:301(10)(m)<br>Commuter Airlines: R.S.<br>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. <sup>2</sup> | 4% <sup>3</sup> | See Notes below    | 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

<sup>1</sup> Must be a "Louisiana" manufactured passenger aircraft with a seating capacity in excess of 50 persons.

<sup>2</sup> 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.

<sup>3</sup> 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<br>Dept. of Revenue<br>(225) 925-3930 | J.A. Cline<br>Dept. of Revenue<br>(225) 925-3930 | J.A. Cline<br>Dept. of Revenue<br>(225) 925-3930 | Anthony Culp<br>Aviation Division<br>(225) 379-1242 |

**Sales and Use Tax**

| Rate | Exemptions  | Reference                            |
|------|---|--------------------------------------|
| 5%   | Fly-Away Exemption: Yes, must be non-resident and removed immediately<br>Dry Lease: No<br>Wet Lease: No<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Not taxable if separately stated<br>Commercial Operations: Yes | Title:36-1811<br>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. <sup>1</sup> | Title 36, Chapter 451,MSRA |

**Aircraft Registration Fees**

| Yes/No | How Applied  | Reference                          |
|--------|--|------------------------------------|
| Yes    | There is an annual fee calculated with the blue book average equipped price multiplied by a millage rate which is dependent on aircraft age (i.e.,9 mills for 1 year or less;7 mills for 2nd year; 5 mills for the 3rd year; 4 mills for the 4th year; and 3 mills for the 5th and succeeding years).<br>The minimum tax is \$10. <sup>2</sup> | 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.

<sup>1</sup> 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.

<sup>2</sup> 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.

**Contacts**

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

# MARYLAND

<http://www.comp.state.md.us>

## Sales and Use Tax

| Rate | Exemptions   | Reference  |
|------|--|--|
| 5%   | Fly-Away Exemption: No<br>Dry Lease: No<br>Wet Lease: Not taxable<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Not taxable,<br>if separately stated<br>Commercial Operations: Yes <sup>1</sup> | Fly Away: COMAR 03.06.01.25<br>Sale: TG 11-101(F)<br>Use: TG 11-101(L)<br>Dry Lease: COMAR 03.06.01.28<br>Parts: TG 11-101(F)<br>Repair Parts and Labor: COMAR<br>03.06.01.03<br>Commercial: COMAR 03.06.01.26 |

## Jet Fuel Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds | Reference   |
|------------|---------------|--------------------|-------------|
| .07/gal.   | 5%            | See Note 2 below   | 9-303/9-305 |

## Aviation Gasoline Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds | Reference   |
|------------|---------------|--------------------|-------------|
| .07/gal.   | 5%            | See Note 2 below   | 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

<sup>1</sup> More than 50% of miles, trips, or days must be interstate.

<sup>2</sup> 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<br>Revenue Specialist<br>(410) 767-1984 | David L.Blackshear<br>Regional Aviation Office<br>(410) 859-7064 | David L Blackshear<br>Regional Aviation Office<br>(410) 859-7064 | David L Blackshear<br>Regional Aviation Office<br>(410) 859-7064 |

## Sales and Use Tax

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

## 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    | <p>Annual aircraft registration fee, which is based on the gross weight of the aircraft as follows: <sup>1</sup></p> <p>Less than 2,000 lbs.= \$75<br/>2,001–3,500 lbs.= \$125<br/>3,501–12,500 lbs.= \$175<br/>Greater than 12,500 lbs.= \$225</p> | <p>702 CMR 3.03<br/>801 CMR 4.02<br/>MGL 90§49</p> |

## Personal Property Tax

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

### Notes

<sup>1</sup> 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<br>Chief Legal Counsel<br>(617) 973-8884 | N/A      | Sandra Hofmanis<br>Registration Clerk<br>(617) 973-8883 |

# MICHIGAN

<http://www.michigan.gov/treasury>

## Sales and Use Tax

| Rate | Exemptions  | Reference   |
|------|---|---|
| 6%   | Fly-Away Exemption: No<br>Dry Lease: No <sup>1</sup><br>Wet Lease: Yes <sup>1</sup><br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: No<br>Commercial Operations: Yes<br>Casual Sales: No | Sales and Use/Dry Lease:1979 AC,<br>R205.132; MCL 205.95 Sec. 5(d)<br>Wet Lease: MCL 205.5x, MCL 205.94<br>Commercial: MCL 205.54X,205.94, Sec. 4 |

## Jet Fuel Tax

| Excise Tax            | Sales/Use Tax | Exemptions/Refunds  | Reference                      |
|-----------------------|---------------|---|--------------------------------|
| .03/gal. <sup>2</sup> | 6%            | Commercial flights<br>(scheduled interstate)<br>are entitled to a refund<br>of .015/gal. (excise tax) | Michigan General Sales Tax Act |

## Aviation Gasoline Tax

| Excise Tax            | Sales/Use Tax | Exemptions/Refunds   | Reference               |
|-----------------------|---------------|--|-------------------------|
| .03/gal. <sup>2</sup> | 6%            | Agriculture flight operations<br>and flight testing are exempt<br>from the sales tax | LR-1986-37, MCL 205.54A |

## Aircraft Registration Fees

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

## Personal Property Tax

| Yes/No | How Applied  | Reference  |
|--------|--|------------|
| Yes    | However, for registered aircraft, the registration fee shall be in lieu of all property taxes on the aircraft, either general or local | MCL 259.76 |

## Notes

Sales and Use Tax Scenario: Not taxable

<sup>1</sup> 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.

<sup>2</sup> New motor fuel legislation is being proposed that could impact aviation fuel taxes.

## Contacts

| Sales and Use   | Excise Tax Fuel   | Property | Registration                                  |
|---|---|----------|---|
| Dale Vettel<br>Administrator<br>Technical Services Division<br>(517) 636-4230 | Linda Fentor<br>Manager, Motor Fuel Taxes<br>(517) 373-3180 | N/A      | Norma Dietz<br>Registration<br>(517) 335-9283 |



**Sales and Use Tax**

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

<sup>1</sup> 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<br>(651) 296-3535 | Brian Rauscher<br>Program Supervisor<br>(651) 296-9326 | Alan Whipple<br>Mgr., State Assessed Prop.<br>(651) 296-0338 | Ray Rought, Director<br>Aeronautics Office<br>(612) 296-8046 |

# MISSISSIPPI

<http://www.mstc.state.ms.us>

## Sales and Use Tax

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

## Contacts

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

**Sales and Use Tax**

| Rate   | Exemptions   | Reference  |
|--------|--|--|
| 4.225% | Fly-Away Exemption: No<br>Dry Lease: No<br>Wet Lease: Yes<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Yes<br>Commercial Operations: Yes | Missouri Revenue Stats.<br>Sale, Use, Parts:144.020<br>Labor: 144.021/144.030<br>Aircraft Repair Labor: 144.021/144.030<br>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 air-lines can use apportionment method based upon miles flown in state and departures and arrivals. | Local taxing districts<br>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<br>Tax Processing Tech II<br>(573) 751-2836 | N/A             | Marilyn Baumber<br>Mgr., Original Assessment<br>(573) 751-2414 | N/A          |

# MONTANA

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

## Sales and Use Tax

| Rate                              | Exemptions        | Reference |
|-----------------------------------|-------------------|-----------|
| Montana does not have a sales tax | Sales and Use:N/A | 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%<br>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<br>Manager<br>(573) 751-2008 | N/A      | Michael D.Ferguson<br>Administrator<br>(406) 444-2506 |

**Sales and Use Tax**

| Rate | Exemptions   | Reference   |
|------|--|---|
| 5%   | Fly-Away Exemption:10 day<br>Dry Lease: No<br>Wet Lease: Not taxable<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Yes, if separately stated<br>Commercial Operations: Yes, must file exemption application | Nebraska Admin.R&R<br>Fly-Away: 1-067,03A<br>Sale of Aircraft:1-006,1-067 9-007<br>Use:1-002<br>Dry Lease:1-018<br>Wet Lease: 1-067.04<br>Aircraft Parts: 1-067<br>Aircraft Repair Labor: 1-082<br>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. <sup>1</sup><br>In Douglas County (Omaha), the assessment is based on actual cost and on a “five-year recovery period”:<br>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%.<br>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.

<sup>1</sup> 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 million in property and hire 100 full-time equivalent employees.

**Contacts**

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

# NEVADA

http://tax.state.nv.us

## Sales and Use Tax

| Rate | Exemptions  | Reference   |
|------|---|---|
| 6%   | Sales and Use: No<br>Fly-Away Exemption: No<br>Dry Lease: No <sup>1</sup><br>Wet Lease: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Yes, must be separately stated<br>Commercial Operations: Yes<br>Resale: Yes<br>Common Carrier: No | Sale and Use: NRS 372.085,105,185<br>Fly-Away: NRS 372.365(1c) <sup>2</sup><br>Lease: NAC 372.050,070,080,085<br>Parts/Repair: NRS 374.322,372.065(3c)<br>Rate: NRS 372.185,374.190,377.040<br>Casual Sale: NRS 372.035,372.325<br>Commercial Operations: NRS 372.317, 374.322<br>Common Carrier: NRS 374.322 |

## Jet Fuel Tax

| Excise Tax                   | Sales/Use Tax | Exemptions/Refunds | Reference   |
|------------------------------|---------------|--------------------|-------------|
| .01/gal. State               | N/A           | N/A                | NRS 365.170 |
| .04/gal. County <sup>3</sup> |               |                    | NRS 365.203 |

## Aviation Gasoline Tax

| Excise Tax                   | Sales/Use Tax | Exemptions/Refunds | Reference   |
|------------------------------|---------------|--------------------|-------------|
| .02/gal. State               | N/A           | N/A                | NRS 365.170 |
| .08/gal. County <sup>3</sup> |               |                    | NRS 365.203 |

## 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<br>NRS 361.265<br>NAC 361.137 |

## Notes

Sales and Use Tax Scenario: Not taxable

<sup>1</sup> Lessors of aircraft are the consumers of the property and are liable for the tax.

<sup>2</sup> 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.

<sup>3</sup> 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<br>Department of Revenue<br>(775) 687-6488<br>Fax: (775) 687-5981 | Carmen Shipman<br>(775) 687-4842 | Bruce Gustafson<br>(775) 687-6610 | Jim Mallery<br>Av. Mgr., Aeronautics Dept.<br>(775) 888-7464<br>www.nevadadot.com |

## Sales and Use Tax

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

## Jet Fuel Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds               | Reference |
|------------|---------------|----------------------------------|-----------|
| .02/gal.   | N/A           | Part 121 operations<br>.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<br>Aviation Program Supervisor<br>(603) 271-1094 | N/A      | Alan Dobrowolski<br>Aviation Program Supervisor<br>(603) 271-1094 |

# NEW JERSEY

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

## Sales and Use Tax

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

## Jet Fuel Tax

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

## Aviation Gasoline Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds | Reference      |
|------------|---------------|--------------------|----------------|
| .125/gal.  | None          | See Note 5 below   | 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         | NJSA 6:1-97 |

## Notes

Sales and Use Tax Scenario: Not taxable.

<sup>1</sup> 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.

<sup>2</sup> 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.

<sup>3</sup> Air carrier must have principal place of operations within New Jersey and engage in intrastate, interstate or foreign air commerce.

<sup>4</sup> Jet fuel users typically have seller/user licenses and do not pay tax.

<sup>5</sup> .105 of aviation gasoline tax is refundable; 54:39-66(e).

## Contacts

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



**Sales and Use Tax**

| Rate                                   | Exemptions  | Reference  |
|--|---|--|
| 5%<br>Plus local rates from .125% – 2% | Sales and Use: Yes <sup>1</sup><br>Fly-Away Exemption: No<br>Isolated Sales: Yes<br>Dry Lease: No<br>Wet Lease: Yes<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: No<br>Commercial Operations: Yes | Sale:7-9-62/7-9-28/7-9-4<br>Use:7-9-77/7-9-7.1/7-9-30<br>Commercial Operations:7-9-30 NMSA 1978<br>Dry Lease:7-9-3(f)<br>Wet Lease:2.49.8.5<br>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<br>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<br>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.<br>One year old: MGW (.02)<br>Two years old: MGW (.0175)<br>Three years old: MGW (.015)<br>Four years old: MGW (.0125)<br>Five years old: MGW (.01)<br>Registration certificates for part of the year issued after July 1 shall be issued at 50% of the annual fee. | Time of Registration:64-4-5<br>Fees:64-4-11<br>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) |

**Notes**

Sales and Use Tax Scenario: Not taxable

<sup>1</sup> 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<br>Manager, Tax Information<br>Policy Office<br>(505) 827-0908 | Natalie Benavidez<br>Tax Compliance Specialist<br>(505) 827-0774 | Richard Martinez<br>Appraisal Specialist<br>(505) 827-0895 | Shirley Paiz<br>Financial Specialist<br>(505) 827-1525 |

# NEW YORK

http://www.tax.state.ny.us

## Sales and Use Tax

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

## Jet Fuel Tax

| Excise Tax  | Sales/Use Tax | Exemptions/Refunds  | Reference   |
|---|---------------|---|---|
| .08/gal.(1998 info.)<br><i>Note: New York did not respond to NBAA's survey.</i> | 4%            | Qualifying airlines are exempt from sales and excise taxes. General aviation users may apply for refund of the excise tax. Refund application is the Form PT-960. | <i>New York did not respond to NBAA's survey.</i> |

## Aviation Gasoline Tax

| Excise Tax  | Sales/Use Tax | Exemptions/Refunds  | Reference   |
|---|---------------|---|---|
| .08/gal.(1998 info.)<br><i>Note: New York did not respond to NBAA's survey.</i> | 4%            | General aviation users may apply for refund of the excise tax. Refund application is the Form PT-960. | <i>New York did not respond to NBAA's survey.</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<br>(800) 225-5829 | None provided   | N/A      | N/A          |

## Sales and Use Tax

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

## Jet Fuel Tax

| Excise Tax | Sales/Use Tax   | Exemptions/Refunds               | Reference                                  |
|------------|---|----------------------------------|--|
| N/A        | 4% State,2% Local, except for 2.5% Mecklenberg County | Certain charitable organizations | 105-164.4(a)(1)<br>Technical Bulletin 43-2 |

## Aviation Gasoline Tax

| Excise Tax | Sales/Use Tax   | Exemptions/Refunds               | Reference                                  |
|------------|---|----------------------------------|--|
| N/A        | 4% State,2% Local, except for 2.5% Mecklenberg County | Certain charitable organizations | 105-164.4(a)(1)<br>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) <sup>1</sup> | 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.  
<sup>1</sup> 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<br>Administration Officer<br>(919) 733-2151 | N/A             | Bill Wilkes<br>Utility Property Tax Analyst<br>(919) 733-7711 | N/A          |

# NORTH DAKOTA

<http://www.state.nd.us/taxdpt>

## Sales and Use Tax

| Rate                        | Exemptions                          | Reference                  |
|-----------------------------|-------------------------------------|----------------------------|
| 5% Sales tax on parts       | Sales and Use: No                   | Parts:57-39.2-02.1         |
| 5% Excise on aircraft sales | Fly-Away Exemption: No <sup>1</sup> | Excise Imposed: 57-40.5-02 |
|                             | Dry Lease: Taxable/no exemption     | Presumption:57-40.5-07     |
|                             | Wet Lease: Taxable/ no exemption    | Credit: 57-40.5-08         |
|                             | Sale of Aircraft Parts: No          |                            |
|                             | Aircraft Repair Parts: No           |                            |
|                             | Aircraft Repair Labor: Not taxable  |                            |

## 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 | North Dakota Century Code 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<br>57-40.5-07 |

## Personal Property Tax

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

## Notes

Use Tax Scenario: Parts only if separately stated.

<sup>1</sup> 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.

## Contacts

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

**Sales and Use Tax**

| Rate                                   | Exemptions   | Reference  |
|--|--|--|
| 5% State<br>.25% – 3% Local authorized | Fly-Away Exemption: No<br>Dry Lease: No<br>Wet Lease: Not taxable<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: No<br>Commercial Operations: Yes <sup>1</sup> | Sale, Dry Lease and Aircraft Parts:<br>5739.02(a)<br>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:<br>1 to 2 persons – \$6<br>3 persons – \$8<br>4 persons – \$12<br>5 persons – \$15<br>Over 5 persons – \$15 plus \$5 for each person in excess thereof | Exceptions:4561.17<br>Tax Rates:4561.18<br>Certificate of Registration: 4561.19<br>Disposition of Fees:4561.21 |

**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 mils).<br>Net book value is original basis less book accumulated depreciation. | N/A       |

**Notes**

Sales and Use Tax Scenario: Taxable parts and labor. Credit given for sales tax paid to other states.

<sup>1</sup> Airlines offering scheduled service to the general public for published rates are considered to be public utilities.

**Contacts**

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

# OKLAHOMA

<http://www.oktax.state.ok.us>

## Sales and Use Tax

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

<sup>1</sup> Excise tax is in lieu of sales tax on purchase of aircraft.

<sup>2</sup> Fly-Away: Very limited to aircraft under going major modification, certain weight class, at qualifying facility.

<sup>3</sup> 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<br>(405) 521-3133 | Jack Spalding<br>Supervisor, Audit Division<br>(405) 521-3251 | Jerry Webb<br>Taxpayer Asst. Division<br>(405) 522-0020 | Steve Vaughn<br>Taxpayer Asst., Repres. III<br>(405) 521-3271 |

**Sales and Use Tax**

| Rate                                      | Exemptions | Reference |
|---|------------|-----------|
| Oregon does not have a general sales tax. | N/A        | 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<br>Oregon Dept. of Transportation<br>(503) 378-4880 | Randy Evers<br>Administrator<br>(503) 945-8001 | Deb Schoenborn<br>Registration Specialist<br>(503) 378-4880 |

# PENNSYLVANIA

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

## Sales and Use Tax

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

<sup>1</sup> 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.

<sup>2</sup> Wet Lease: Sales tax is due on the lease or rental of an aircraft with the services of an operator.

<sup>3</sup> 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 Rempé<br>Asst. Counsel<br>(717) 787-1382 | Paul M. Sload Jr.<br>Supervisor<br>(717) 783-2518 | Ken Henderson<br>Deputy Chief Counsel<br>(717) 787-1382 | N/A          |



## Sales and Use Tax

| Rate | Exemptions   | Reference                                   |
|------|--|---|
| 7%   | Casual Sale: No<br>Fly-Away Exemption: No<br>Dry Lease: No<br>Wet Lease: Not taxable <sup>1</sup><br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Not taxable<br>Commercial Operations: Yes | Casual Sale :94-18<br>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: <sup>2</sup><br>Less than 2,000 lbs.= \$30<br>2,001–3,000 lbs.= \$60<br>3,001–4,500 = \$110<br>4,501–12,500 lbs.= \$160<br>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.

<sup>1</sup> 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.

<sup>2</sup> 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<br>Chief Revenue Agent<br>(401) 222-2950 | N/A             | N/A      | Debbie Odell<br>Aircraft Regist. Processor<br>(401) 737-4000 |

# SOUTH CAROLINA

<http://www.sctax.org>

## Sales and Use Tax

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

## Jet Fuel Tax

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

## Aviation Gasoline Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds                        | Reference                   |
|------------|---------------|---|-----------------------------|
| None       | 5%            | 12-36-2120(9)<br>Transportation Companies | R/R 97-12,122<br>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<br>Tax Analyst<br>(803) 898-5744 | N/A             | Len Callahan<br>Utility Assessment Sup.<br>(803) 898-5483 | Ira "Bud" Coward<br>Director Division of<br>Aeronautics<br>(803)896-6261 |

**Sales and Use Tax**

| Rate   | Exemptions                       | Reference                           |
|--|----------------------------------|-------------------------------------|
| 4% Additional tax for original registration <sup>1</sup> | Sales and Use: No                | Original registration is dedicated: |
| 4% Sales tax (leases, parts, labor)                      | Fly-Away Exemption: Yes          | 50-11-19 DOT                        |
|  | Dry Lease: No                    | Dry Lease:10-45.5.4                 |
|  | Wet Lease: Intrastate is taxable | Wet Lease:10-45.12.1                |
|  | Sale of Aircraft Parts: No       | Aircraft Parts:10-45.2              |
|  | Aircraft Repair Parts: No        | Repair Labor: 10-45.5               |
|  | Aircraft Repair Labor: No        |                                     |
|  | Commercial Operations: Yes       |                                     |

**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. | Fee Schedule:50-11-12<br>Age of Aircraft:50-11-14<br>In Lieu of Property Tax:50-11-18 |

**Personal Property Tax**

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

**Notes**

<sup>1</sup> 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<br>(605) 394-2332 | Earl Coggins<br>Sr. Revenue Agent<br>(605) 394-2332 | Audrey Nelson<br>Property Tax Specialist<br>(605) 773-3311 | Aviation Services<br>(605) 773-3862 |

# TENNESSEE

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

## Sales and Use Tax

| Rate                  | Exemptions                                      | Reference                                |
|-----------------------|---|--|
| 6% State <sup>1</sup> | Sales and Use: Partial <sup>1</sup>             | Sales: TCA 67-6-225                      |
| 1.5%–2.75% Local      | Fly-Away Exemption: Yes, removed within 15 days | Fly-Away: TCA 67-6-313                   |
|                       | Dry Lease: No, reduction does not apply         | Dry Lease: TCA 67-6-702                  |
|                       | Wet Lease: Not taxable                          | Wet Lease: TCA 67-6-204                  |
|                       | Sale of Aircraft Parts: No                      | Parts: 67-6-302,313,347                  |
|                       | Aircraft Repair Parts: No                       | Labor: 67-6-302,383                      |
|                       | Aircraft Repair Labor: No                       | Commercial: TCA 67-6-301,302,313 and 317 |
|                       | Commercial Operations: Yes                      |  |

## 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<br>TCA 67-3-1305<br>TCA 67-3-1509<br>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 United States | TCA 67-6-217<br>TCA 67-3-1305<br>TCA 67-3-1509<br>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

<sup>1</sup> TCA 67-6-225 was amended effective July 1, 1999, 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 July 1, 2001.

## Contacts

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

**Sales and Use Tax**

| Rate   | Exemptions  | Reference  |
|--|---|--|
| State 6.25%<br>City, county and special-purpose district and transfer rates vary, but will not exceed 2% | Casual Sale: Yes<br>Fly-Away Exemption: Yes, non-resident purchaser<br>Dry Lease: No<br>Wet Lease: Not taxable<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Not taxable<br>Commercial Operations: Yes, airlines and charter | Occasional Sale: 151.304<br>Fly-Away: Rule 3.297( c )(9)<br>Sale and Use: Rule 3.297<br>Dry Lease: Rule 3.294/3.297<br>Parts: Rule 3.292/3.297<br>Repair Labor: Rule 3.292<br>Commercial: Rule 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<br>Appraisal 2301(b) |

**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<br>Tax Specialist<br>(800) 531-5441 or<br>(512) 463-5986 | Steve White<br>Supervisor<br>(516) 463-4499 | Dan Wilson<br>Executive Assistant<br>Property Tax Division<br>(512) 305-9806 | Karon Wiedemann<br>Director, Grant Management<br>(512) 416-4520 |

# UTAH

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

## Sales and Use Tax

| Rate          | Exemptions                  | Reference                            |
|---------------|-----------------------------|--------------------------------------|
| State 4.75%   | Casual Sale: No             | Casual Sale:R865-195-38              |
| Local 1%–3.6% | Fly-Away Exemption: Limited | Fly-Away: UCA 59-12-104(33)          |
|               | Dry Lease: No               | Sales, Use, Dry Lease:59-12-103      |
|               | Wet Lease: Not taxable      | Wet Lease:R865-195-32                |
|               | Sale of Aircraft Parts: No  | Aircraft Repair Parts:59-12-104(5)   |
|               | Aircraft Repair Parts: No   | Aircraft Repair Labor: R865-195-78   |
|               | Aircraft Repair Labor: No   | Commercial Operations:59-12-104(36)/ |
|               | Commercial Operations: Yes  | 59-12-102(3)                         |

## Jet Fuel Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds                                   | Reference     |
|------------|---------------|--|---------------|
| .09/gal.   | 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.   | 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;<br>\$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. <sup>1</sup> | UCA 59-2-404 |

### Notes

Use Tax Scenario: Taxable

<sup>1</sup> 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."

## Contacts

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

### Sales and Use Tax

| Rate | Exemptions   | Reference   |
|------|--|---|
| 5%   | Fly-Away Exemption: No<br>Resale: Yes, limited<br>Dry Lease: No<br>Wet Lease: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: Not taxable,<br>if separately stated<br>Commercial Operations: Yes | 32 VSA §9771/97<br>Sale to Lessor: §9701(6)<br>Sale for Resale: §9701(5)<br>Casual Sale: §9741(4)<br>Aircraft Excluded from Definition of Casual<br>Sale: §9701(12)(B)<br>Manufacturing Exemption: §9741(14)<br>Repair Labor: §9701(4)<br>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<br>Internal Audit Supervisor<br>(802) 828-2209 | Dennis Gray<br>Internal Audit Supervisor<br>(802) 828-2209 | N/A      | Dennis Gray<br>Internal Audit Supervisor<br>(802) 828-2209 |

# VIRGINIA

http://www.tax.state.va.us

## Sales and Use Tax

| Rate                                   | Exemptions   | Reference            |
|--|--|----------------------|
| 2% Sales, Use, Dry and Wet Lease Rates | Fly-Away Exemption: No                                     | Sales:58.1-1501      |
| 4.5% Parts and Repair Parts            | Dry Lease: No <sup>1</sup>                                 | Use: 58.1-1502       |
|  | Wet Lease: No  | Lease:5-14-97        |
|  | Sale of Aircraft Parts: No                                 | Parts:23VAC10-210-70 |
|  | Aircraft Repair Parts: No                                  |                      |
|  | Aircraft Repair Labor: Not taxable<br>if separately stated |                      |
|  | Commercial Operations:Scheduled air<br>service             |                      |

## Jet Fuel Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds | Reference     |
|------------|---------------|--------------------|---------------|
| .05/gal.   | None          | See Note 2 below   | 58.1-2116 (b) |

## Aviation Gasoline Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds | Reference     |
|------------|---------------|--------------------|---------------|
| .05/gal.   | None          | See Note 2 below   | 58.1-2116 (b) |

## Aircraft Registration Fees

| Yes/No | How Applied  | Reference            |
|--------|--|----------------------|
| Yes    | \$5 Non-commercial<br>\$10 Commercial<br>\$50 Dealers<br>\$75 Commercial Fleet | 24 VAC 5-20-20,5.1-5 |

## Personal Property Tax

| Yes/No | How Applied  | Reference |
|--------|--|-----------|
| Yes    | Assessed at local government level and vary<br>greatly | 58.1-3511 |

## Notes

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

<sup>1</sup> 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.

<sup>2</sup> 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).

## Contacts

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



## Sales and Use Tax

| Rate                         | Exemptions  | Reference  |
|------------------------------|---|--|
| 6.5% State<br>.05–2.1% Local | Fly-Away Exemption: No<br>Dry Lease: No<br>Wet Lease: Not taxable<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: No<br>Aircraft Repair Labor: No<br>Commercial Operations: Yes | Commerce WAC 458-20-175<br>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<br>RCW 82.08.050 |

## Aviation Gasoline Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds  | Reference                   |
|------------|---------------|---------------------|-----------------------------|
| .065/gal.  | 6.5%          | Interstate commerce | Excise tax<br>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<br>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. 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<br>(360) 753-7782 | Arthur Farley<br>Special Projects Manager<br>(360) 664-1820 | N/A      | Randi Christenson<br>Registration Program Manager<br>(206) 764-4131 |

# WEST VIRGINIA

<http://www.state.wv.us/taxrev>

## Sales and Use Tax

| Rate | Exemptions   | Reference   |
|------|--|---|
| 6%   | Fly-Away Exemption: No<br>Sale of Aircraft Parts: No<br>Aircraft Repair Parts: Yes <sup>1</sup><br>Aircraft Repair Labor: Yes <sup>1</sup><br>Commercial Operations: Yes | 11-15 Sale of Aircraft<br>11-15A<br>11-15-9(a)(34) Aircraft Repair<br>11-15-9(b)(2) Commercial Title 110,<br>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% ) = assessment (\$2.25 to \$2.94 avg.)<br>Average retail determined Aircraft Blue Book | Local taxing districts |

### Notes

Use Tax Scenario: Not taxable

<sup>1</sup> Must be commercial provider or governmental entity.

## Contacts

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

**Sales and Use Tax**

| Rate              | Exemptions                 | Reference             |
|-------------------|----------------------------|-----------------------|
| 5% State          | Fly-Away Exemption: Yes    | Fly Away: 77.54(5)a   |
| 0.1% – 0.6% Local | Dry Lease: No              | Sale:77.52 (1)        |
|                   | Wet Lease: Yes             | Use: 77.53(1)         |
|                   | Sale of Aircraft Parts: No | Dry Lease:77.53(1)    |
|                   | Aircraft Repair Parts: No  | Rule Tax: 11.29(4)(b) |
|                   | Aircraft Repair Labor: No  | Parts:77.52(1)        |
|                   | Commercial Operations: Yes | 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 | See Note 1 below   | 168-12<br>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 | See Note 1 below   | 168-12<br>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.

<sup>1</sup> 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<br>(608) 266-2776 | Bob Kunkel<br>Bureau of Aeronautics<br>(608) 266-2480 | Jerry Smith, CAE<br>Chief, Utility Taxes<br>(608) 266-8660 | Scott Brummond<br>Chief<br>(608) 267-2030 |

# WYOMING

http://revenue.state.wy.us

## Sales and Use Tax

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

## Jet Fuel Tax

| Excise Tax | Sales/Use Tax | Exemptions/Refunds | Reference                               |
|------------|---------------|--------------------|---|
| .05/gal.   | No            | None               | W.S.39-15-105(a)(c)<br>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)(c)<br>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. <sup>1</sup> | Wyoming Regulation Section 6 |

### Notes

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

<sup>1</sup> 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.

## Contacts

| Sales and Use  | Excise Tax Fuel  | Property   | Registration                                    |
|--|--|--|---|
| Rick Morgan<br>Taxability Specialist<br>(307) 777-5200 | Sharon Gostovich<br>Mgr. Fuel Tax Administration<br>(307) 777-4774 | Jim Felton<br>Local Assessment Support<br>(307) 777-5325 | Shelly Reams<br>Administrator<br>(307) 777-3953 |