

USE TAX EXEMPTION FOR AIRCRAFT PARTS



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FISCAL ANALYSIS

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SENATE BILL 576 AS REPORTED WITHOUT AMENDMENT

Sponsor: Sen. Bill Bullard

First House Committee: Tax Policy

FLOOR ANALYSIS - 2/11/02

Analyst(s): Jim Stansell

SUMMARY

Senate Bill 576 would amend the Use Tax Act to exempt sales of aircraft parts and/or materials affixed to an aircraft with a takeoff weight of at least 6,000 pounds used to transport cargo and/or passengers that are sold to a person for lease to a domestic air carrier. The bill would be retroactive to January 1, 1996, and would hold the School Aid Fund harmless.

SB576 would cause use tax revenue to decline by an indeterminate amount.