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Action Call

May 27, 2013

Oppose Massachusetts House Bill That Seeks To Repeal Sales Tax Exemption on Aircraft

Massachusetts legislators are considering [House Bill 2490](#) (H.2490) that would repeal the current sales tax exemption on aircraft throughout the commonwealth. Similar legislation was brought before the legislature in past years, but the continued efforts of commonwealth associations and the voices of NATA members are important in ensuring this legislation does not become law. NATA encourages all 13 member companies in Massachusetts to oppose this damaging legislation.

Sponsored by Representative Cory Adkins (D-Concord), the bill requires that the sale of aircraft would be subject to the Massachusetts' 6.25 percent sales tax. Aircraft sold to a Part 135 operator that are used in interstate or foreign commerce or to people who are not Massachusetts residents would retain the exempt status. Aircraft that are sold to a Part 91 operator or to people for use within Massachusetts would be subject to the 6.25 percent sales tax.

Recently, the Joint Committee on Revenue, where the legislation is being considered, held a public hearing at the Massachusetts State House to discuss the proposal. Representatives of the general aviation industry spoke to the necessity of this vital mode of transportation and reaffirmed to the committee that general aviation brings business and economic growth to communities across the commonwealth. Repealing the tax exemption on aircraft sold and operated in the Massachusetts will deter people from purchasing aircraft in the commonwealth or force people to take their aircraft out of Massachusetts, thereby relinquishing business and economic opportunities.

According to the Massachusetts Department of Transportation's Aeronautic Division, aviation is the link to economic prosperity. [The Massachusetts Statewide Airport Economic Impact Study](#) found that the Massachusetts' 39 public-use airports contribute to the commonwealth's overall economy and quality of life for its residents. These airports generate \$11.9 billion in total annual economic activity and support 124,369 jobs. The industry contributes to medical transport and evacuation, flight training, law enforcement flights, wildlife management, military exercises, and search and rescue operations throughout the commonwealth.

NATA encourages all members in Massachusetts to contact their legislators as soon as possible in opposition to H.2490. It is important that your elected officials hear from you on the experiences that would be lost in your community as a result of this bill's passage. Click [here](#) to find your legislator.