

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 9

BY REVENUE AND TAXATION COMMITTEE

AN ACT

1
2 RELATING TO SALES TAX; AMENDING SECTION 63-3622GG, IDAHO CODE, TO PROVIDE
3 FOR TREATMENT OF AIRCRAFT USED AS A BUSINESS ASSET AS TRANSIENT EQUIP-
4 MENT.

5 Be It Enacted by the Legislature of the State of Idaho:

6 SECTION 1. That Section 63-3622GG, Idaho Code, be, and the same is
7 hereby amended to read as follows:

8 63-3622GG. AIRCRAFT. There is exempted from the taxes imposed by this
9 chapter:

10 (1) The sale, lease, purchase, or use of aircraft primarily used to pro-
11 vide passenger or freight services for hire as a common carrier only if:

12 (a) The person operates the aircraft under the authority of the laws of
13 this state, the United States or any foreign government; and

14 (b) The aircraft is used to provide services indiscriminately to the
15 public; and

16 (c) The aircraft itself transports the person or property from one (1)
17 location on the ground or water to another.

18 (2) The sale, lease, purchase or use of aircraft primarily used for air
19 ambulance services.

20 (3) The sale, lease or purchase of aircraft for use outside this state
21 by nonresidents, even though delivery be made within this state, but only
22 when:

23 (a) The aircraft will be taken from the point of delivery to a point out-
24 side this state;

25 (b) The aircraft will not be used in this state more than ninety (90)
26 days in any twelve (12) month period.

27 (c) Notwithstanding the provisions of this subsection, an aircraft
28 used in Idaho that is a business asset will be treated as transient
29 equipment and taxed as such pursuant to section 63-3621A, Idaho Code, if
30 it otherwise qualifies as such under section 63-3621A, Idaho Code.

31 (4) Repair and replacement materials and parts installed in or affixed
32 or applied to, or sold, leased or purchased to be installed in or affixed or
33 applied to, aircraft in connection with the remodeling, repair or mainte-
34 nance of aircraft described under subsections (1) and (2) of this section are
35 exempt. Tools and equipment utilized in performing such remodeling, repair
36 or maintenance are not exempt.