

ASSEMBLY, No. 2470

STATE OF NEW JERSEY

INTRODUCED NOVEMBER 14, 1996

By Assemblymen LeFEVRE and BLEE

1 AN ACT providing an exemption for certain aircraft repairs and
2 services under the sales and use tax, amending P.L.1980, c.98.

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. Section 1 of P.L.1980, c.98 (C.54:32B-8.35) is amended to read
8 as follows:

9 1. Receipts from:

10 a. sales of aircraft and repairs thereto including machinery or
11 equipment to be installed on such aircraft and replacement parts
12 therefor when utilized by an air carrier as defined by the Civil
13 Aeronautics Board or the Code of Federal Regulations having its
14 principal place of operations within the State an engaging in interstate,
15 foreign, or intrastate air commerce; and

16 b. charges for such services as the maintaining, servicing, or
17 repairing of an aircraft at an airport facility funded with lease financing
18 under the powers of the South Jersey Transportation Authority
19 pursuant to P.L.1991, c.252 (C.27:25A-1 et seq.);

20 are exempt from the tax imposed under the Sales and Use Tax Act
21 (cf: P.L.1980, c.98, s.1)

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23 2. This act shall take effect immediately.

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STATEMENT

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28 This bill expands the current sales and use tax exemption for sales
29 of aircraft and aircraft repair service. Currently, aircraft sold to
30 regulated commercial carriers, and the repairs to such aircraft, are
31 exempt. This bill exempts the charges for services to maintain, service
32 or repair any aircraft if the services are performed at an airport facility
33 which was funded by lease financing under the South Jersey
34 Transportation Authority powers. These services include, but are not

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and intended to be omitted in the law.

Matter underlined thus is new matter.

1 limited to, producing, fabricating, processing, printing or imprinting
2 tangible personal property at that facility.

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7 Exempts certain aircraft repair and services from sales and use tax.