

WEST VIRGINIA LEGISLATURE

2018 REGULAR SESSION

Introduced

House Bill 4022

**FISCAL
NOTE**

BY DELEGATES HAMRICK, BUTLER, BARRETT, DEAN,

FAST, HOLLEN, LOVEJOY, AND QUEEN

[Introduced January 11, 2018; Referred
to the Committee on Roads and Transportation then
Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §11-15-9p, relating to providing an exemption from the consumer sales and
 3 service tax and use tax for purchases of certain services and tangible personal property
 4 sold for the repair, remodeling and maintenance of aircraft operated under a fractional
 5 ownership program; defining terms; and specifying a method for claiming exemption.

Be it enacted by the Legislature of West Virginia:

ARTICLE 15. CONSUMERS SALES AND SERVICE TAX.

§11-15-9p. Exemption for purchases of services and tangible personal property sold for the repair, remodeling and maintenance of aircraft operated under a fractional ownership program.

1 (a) The following sales are exempt from the consumers sales and service tax: Sales of
 2 aircraft repair, remodeling and maintenance services when the services are to an aircraft operated
 3 under a fractional ownership program, or to an engine or other component part of an aircraft
 4 operated under a fractional ownership program; sales of tangible personal property that is
 5 permanently affixed or permanently attached as a component part of an aircraft operated under
 6 a fractional ownership program, as part of the repair, remodeling or maintenance service; and
 7 sales of machinery, tools or equipment directly used or consumed exclusively in the repair,
 8 remodeling or maintenance of aircraft, aircraft engines or aircraft component parts for an aircraft
 9 operated under a fractional ownership program, or used exclusively in combination with the
 10 purposes specified in this subsection and the purposes specified in §11-15-9(a)(33) of this code.

11 (b) Any person having a right or claim to any exemption set forth in this section shall: First
 12 pay to the vendor the tax imposed by this article and then apply to the Tax Commissioner for a
 13 refund or credit, or, as provided in §11-15-9d and §11-15a-3d of this code, give to the vendor his
 14 or her West Virginia direct pay permit number: *Provided*, That a person having a right or claim to
 15 the exemption set forth in this section may apply to the Tax Commissioner for permission to use
 16 an exemption certificate. Upon the granting of such permission, a person having a right or claim

17 to the exemption set forth in this section may, in lieu of paying the tax imposed by this article and
18 filing a claim for refund, execute a certificate of exemption, in the form required by the Tax
19 Commissioner, and deliver it to the vendor of the property or service in the manner required by
20 the Tax Commissioner.

21 (c) For purposes of this section, "fractional ownership program" means any system of
22 aircraft ownership and exchange that consists of all of the elements set forth in Federal Aviation
23 Regulation Part 91, Subpart K, Section 91.1001.

NOTE: The purpose of this bill is to provide an exemption from the consumer sales and service tax and use tax for certain services and tangible personal property sold for the repair, remodeling and maintenance of aircraft operated under a fractional ownership program.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.