

WEST VIRGINIA LEGISLATURE

2017 REGULAR SESSION

Introduced

Senate Bill 61

**FISCAL
NOTE**

BY SENATORS ROMANO AND OJEDA

[Introduced February 8, 2017; referred
to the Committee on Economic Development; and then to
the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new section,
 2 designated §11-15-9o, relating to specifying exemption from the consumers 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 certain specified aircraft; defining
 5 terms; and specifying method for claiming exemption.

Be it enacted by the Legislature of West Virginia:

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new
 2 section, designated §11-15-9o, to read as follows:

ARTICLE 15. CONSUMERS SALES AND SERVICE TAX.

**§11-15-9o. 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, and 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 subdivision (33), subsection
 11 (a), section nine of this article, or successor provisions thereof.

12 (b) Any person having a right or claim to any exemption set forth in this section shall: First
 13 pay to the vendor the tax imposed by this article and then apply to the Tax Commissioner for a
 14 refund or credit, or, as provided in section nine-d of this article and section three-d, article fifteen-

15 a of this chapter, give to the vendor his or her West Virginia direct pay permit number: *Provided*,
16 That a person having a right or claim to the exemption set forth in this section may apply to the
17 Tax Commissioner for permission to use an exemption certificate. Upon the granting of such
18 permission, a person having a right or claim to the exemption set forth in this section may, in lieu
19 of paying the tax imposed by this article and filing a claim for refund, execute a certificate of
20 exemption, in the form required by the Tax Commissioner, and deliver it to the vendor of the
21 property or service in the manner required by the Tax Commissioner.

22 (c) For purposes of this article, the term “fractional ownership program” means any system
23 of aircraft ownership and exchange that consists of all of the elements set forth in Federal Aviation
24 Regulation Part 91, Subpart K, Section 91.1001, or successor provisions thereof.

NOTE: The purpose of this bill is to provide a consumers sales and service tax and use tax exemption 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.