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Replace lines 8 through 9 on page 1 with the following:

          conditions. This bill would remove the requirement for an air carrier to have a hub operation in this state. This bill would also exempt the gross receipts of the lease of certain aircraft if the aircraft is not permanently domiciled in the state.

Replace lines 22 through 33 on pages 1 and 2 with the following:

          Relating to sales and use taxes and lease or rental taxes; to amend Section 40-23-4, Code of Alabama 1975, to revise the current sales and use tax exemption for certain aircraft and parts; and to amend Section 40-12-223, Code of Alabama 1975, to revise the current lease tax exemption for certain aircraft and parts and to exempt the gross receipts from the lease of certain aircraft not domiciled in this state.

Replace line 394 on page 15 with the following:



25                    ~~manufactured sold, and~~ or delivered in this  
26 state if the

27  
28                    Replace lines 400 through 409 on page 15 with the  
29 following:

30                    1. The hanger, airstrip, or other housing unit  
31 in which the aircraft is primarily based, departs  
32 from, and returns to in its normal operation is  
33 located outside of Alabama; or

34                    2. The purchaser's headquarters is not in Alabama on  
35 the date of purchase, and the aircraft will be  
36 operated either by a: (1) certificated air carrier  
37 holding certificate of public convenience under 49  
38 U.S.C §40102; or (2) a foreign air carrier or  
39 intrastate air carrier, as defined by 49 U.S.C §40102.

40                    b. The exemption provided in this subdivision shall  
41 not apply to county or municipal sales or use taxes  
42 unless approved by resolution or ordinance adopted by  
43 the local governing body.

44                    c. The exemption provided by this subdivision shall  
45 expire on September 30, 2029.

46  
47                    Replace line 432 on page 16 with the following:

48                    ~~and~~ replacement parts, components, systems,



49 supplies, and

50  
51 Replace line 438 on page 16 with the following:

52 property by air. The exemption provided in this  
53 subdivision shall not apply to county or municipal  
54 sales or use taxes unless approved by resolution or  
55 ordinance adopted by the local governing body. The  
56 exemption provided by this subdivision shall expire on  
57 September 30, 2029.~~For the purpose of this~~  
58 ~~subdivision, the~~

59  
60 Replace line 748 on page 27 with the following:

61 rental of aircraft, replacement parts,  
62 components, systems,

63  
64 Replace line 754 on page 27 with the following:

65 people or property by air. The exemption  
66 provided in this subdivision shall not apply to county  
67 or municipal lease or rental taxes unless approved by  
68 resolution or ordinance adopted by the local governing  
69 body. The exemption provided by this subdivision shall  
70 expire on September 30, 2029.~~For the purpose of this~~

71  
72 Replace line 812 on page 30 with the following:



73 tax exemption under federal law or Section  
74 40-23-5.  
75 (16) The gross receipts from the lease of any aircraft  
76 manufactured or delivered to a lessee in this state if  
77 the aircraft is not permanently domiciled in Alabama  
78 during the term of the lease and is removed to another  
79 state by the lessee.  
80 a. Under this subdivision, an aircraft shall be  
81 considered not permanently domiciled in Alabama during  
82 the term of the lease if either of the following  
83 non-exclusive conditions is true:  
84 1. The hanger, airstrip, or other housing unit in  
85 which the aircraft is primarily based, departs from,  
86 and returns to in its normal operation is located  
87 outside of Alabama; or  
88 2. The lessee's headquarters is not in Alabama on the  
89 date the lessee commences, and the aircraft will be  
90 operated either by a: (1) certificated air carrier  
91 holding certificate of public convenience under 49  
92 U.S.C §40102; or (2) a foreign air carrier or  
93 intrastate air carrier, as defined by 49 U.S.C §40102.  
94 b. The exemption provided in this subdivision shall  
95 not apply to county or municipal lease or rental taxes  
96 unless approved by resolution or ordinance adopted by



97                   the local governing body.

98                   c. The exemption provided by this subdivision shall

99                   expire on September 30, 2029."