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December 16, 2011

KRISTINE CAZADD
Executive Director

No. 2011/047

TO COUNTY ASSESSORS:

AIRCRAFT — UPDATE REFERENCES

Senate Bill 947 (Stats. 2011, ch. 351) was signed by the Governor on September 26, 2011 and will take effect January 1, 2012. SB 947 amends Revenue and Taxation Code sections 1150, 1154, and 5303 to update and delete obsolete statutory references in the definition of *certificated aircraft*, *air taxi*, and *aircraft*.

This bill updates the code references in federal law to the appropriate provisions in Section 40102 of Title 49 of the United States Code. It also updates the referenced federal agency to the Federal Aviation Administration and deletes the reference to the California Public Utilities Commission.

A copy of sections 1150, 1154, and 5303 in strikeout/underscore format is enclosed. If you have any questions regarding the changes to these provisions, please contact the County-Assessed Properties Division at 916-274-3350.

Sincerely,

/s/ David J. Gau

David J. Gau
Deputy Director
Property and Special Taxes Department

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Enclosure

Section 1150 of the Revenue and Taxation Code as amended by Stats.2011, ch 351:

As used in this article, “certificated aircraft” means aircraft operated by an air carrier or foreign air carrier engaged in air transportation, as defined in ~~subdivisions (3), (5), (10), and (19) of Section 101 of Title I of the “Federal Aviation Act of 1958” (P.L. 85-726; 72 Stat. 731) Section 40102(a)(2), (5), (6), and (21) of Title 49 of the United States Code~~, while there is in force a certificate or permit issued by the ~~Civil Aeronautics Board of the United States~~ Federal Aviation Administration, or its successor, ~~or a certificate or permit issued by the California Public Utilities Commission, or its successor,~~ authorizing such air carrier to engage in such transportation.

Section 1154 of the Revenue and Taxation Code as amended by Stats. 2011, ch. 351:

(a) As used in this section, “air taxi” means aircraft used by an air carrier which does not utilize aircraft having a maximum passenger capacity of more than 30 seats or a maximum payload capacity of more than 7,500 pounds in air transportation and which does not hold a certificate of public convenience and necessity or other economic authority issued by the ~~Civil Aeronautics Board of the United States~~ Federal Aviation Administration, or its successor, ~~or by the California Public Utilities Commission, or its successor.~~

(b) Air taxis which are operated in scheduled air taxi operations are not subject to the provisions of Part 10 (commencing with Section 5301) of this division and shall be assessed in accordance with the allocation formula set forth in Section 1152.

(c) All other air taxis shall be assessed in the county where the aircraft is habitually situated in the same manner and at the same ratio as other personal property in the county subject to general property taxation. Such aircraft shall be taxed at the same rate and in the same manner as all other property on the unsecured roll.

Section 5303 of the Revenue and Taxation Code as amended by Stats. 2011, ch. 351:

(a) “Aircraft” means any contrivance used or designed for the navigation of or for flight in the air which has been flown at least once, other than a parachute or similar emergency safety device.

(b) “Aircraft” does not include any of the following:

(1) Rockets or missiles.

(2) Aircraft operated exclusively by an air carrier or foreign air carrier, as respectively defined in ~~subdivisions (3) and (19) of Section 101 of Title 1 of the “Federal Aviation Act of 1958” (P.L. 85-726; 72 Stat. 731) Section 40102(a)(2) and (21) of Title 49 of the United States Code~~, engaged in air transportation, as defined in ~~subdivision (10) of the same section~~ Section 40102(a)(5) of that title, while there is in force a certificate or permit issued by the ~~Civil Aeronautics Board of the United States~~ Federal Aviation Administration, or its successor, ~~or a certificate or permit issued by the California Public Utilities Commission, or its successor,~~ authorizing such air carrier to engage in such transportation.

(3) Air taxis, as defined in subdivision (a) of Section 1154.