

February 5, 2016

Senator Jeff Siddoway  
Senator Steve Vick  
Idaho State Senate  
State Capitol Building  
Boise, ID 83720

Dear Senators Siddoway and Vick:

The National Business Aviation Association (NBAA) is the leading organization for companies that rely on general aviation aircraft to help make their businesses more efficient, productive and successful. The Association represents the interests of over 10,000 companies, including 43 member companies in Idaho. The purpose of this letter is to express our strong support for House Bill 361, and respectfully request that the Government and Taxation Committee favorably report on the legislation.

Since passage of the exemption on aircraft materials, parts and components installed on out-of-state aircraft from Idaho sales and use tax in 2012, repair and maintenance facilities have been able to better compete with facilities in other states. House Bill 361 eliminates a June 30, 2016 sunset on the exemption and will allow the 30 aircraft repair stations in the state to continue their growth.

Currently, Utah, Nevada, Colorado and Wyoming offer exemptions on aircraft parts, while Oregon and Montana do not impose sales or use tax, meaning Idaho businesses face significant competition from surrounding states. In a survey of Idaho's aircraft repair stations, *90% of those responding said that they benefit from the sales tax exemption* passed in 2012.

According to a 2013 study by PricewaterhouseCoopers, nearly 8,000 workers are either directly or indirectly employed by the general aviation industry in Idaho. These employees generate an economic output of over \$1.1 billion, and the jobs are high paying, with the average aircraft mechanic or avionics technician earning nearly \$57,000 a year according to the Bureau of Labor Statistics.

Passage of House Bill 361 is sound tax policy and will lead to increased aircraft repair business for Idaho, which will result in the creation of high paying jobs in a growing industry. Please contact me at (206) 434-5688 or [kivey@nbaa.org](mailto:kivey@nbaa.org) should you have additional questions or need further information.

Best Regards,



Kristi Ivey  
Northwest Regional Representative