



January 20, 2022

Senator Kelli Stargel  
Chair, Committee on Appropriations  
The Florida Senate  
420 Senate Building  
404 South Monroe Street  
Tallahassee, FL 32399

Representative Bobby Payne  
Chair, Ways & Means Committee  
Florida House of Representatives  
222 The Capitol  
402 South Monroe Street  
Tallahassee, FL 32399

Dear Chairs Stargel and Payne:

On behalf of the general aviation industry and Florida airports, we strongly support the passage of Senate Bill 786 and House Bill 6051 that would eliminate the sales and use tax on aircraft. This legislation will grow the general aviation industry, which supports nearly 95,000 jobs and \$8.9 billion to the Florida economy. The 129 public-use airports in the state, which employ more than 393,000 Floridians with a payroll of \$22 billion, will also benefit from Senate Bill 786 and House Bill 6051.

In addition to its significant airport infrastructure, Florida is home to Embraer Aircraft Holding Inc. and Piper Aircraft, Inc., key general aviation aircraft manufacturers and major employers. Also, Bombardier is investing in Florida with a new aircraft service center under construction at Miami-Opa Locka Executive airport.

Unfortunately, Embraer and Piper deliver few aircraft in Florida due to the 6% sales and use tax. Customers often elect to take delivery in a state with more competitive tax policies, such as South Carolina that imposes a \$500 flat fee on aircraft transactions. Or, aircraft buyers utilize Florida's 10-day "fly-away" exemption, allowing them to remove the aircraft without sales tax, costing the state tourism dollars and economic activity.

If Florida eliminated the sales and use tax for aircraft as proposed in this legislation, it would be more competitive with its neighbors, increasing general aviation activity and economic impact. Aircraft owners would be incentivized to spend more time in Florida, base aircraft in the state, or visit more frequently without fearing a significant sales or use tax burden.

States including North Carolina and Virginia have also recognized the economic impact of general aviation with their tax policies. In North Carolina, aircraft sales are subject to a maximum tax of \$2,500, and in Virginia, there is a reduced 2-percent sales and use tax rate for aircraft. With Honda Aircraft investing more than \$250 million in its North Carolina facilities, these policies have paid off. In Virginia, the commonwealth's general aviation airports support \$1.1 billion in economic activity and more than 6,000 jobs.

Since many general aviation aircraft travel between Florida and New York, the tax policies in both states are important to consider. In 2015, New York State passed legislation eliminating the sales and use tax for general aviation aircraft. According to a New York State Department of Transportation study, one new business aircraft moving to a state generates \$1 million in spending and five direct jobs. Since the passage of the exemption, hundreds of new aircraft are now based at New York airports, and many moved back from neighboring states, generating jobs and economic activity. Additionally, airports have received hundreds of millions of dollars of public and private investment due to the exemption through the construction of new hangars, terminal buildings, and other infrastructure.

Thank you for considering Senate Bill 786 and House Bill 6051, which will make Florida a leading state for general aviation and airports. Your support of this legislation will generate new aviation jobs and economic activity as our industry embarks on new developments, including advanced air mobility and electric aviation.

Sincerely,

Aircraft Owners & Pilots Association  
Central Florida Business Aviation Association  
Economic Development Commission of Florida's SpaceCoast  
Florida Airports Council  
Florida Aviation Business Association  
General Aviation Manufacturers Association  
Helicopter Association International  
National Air Transportation Association  
National Business Aviation Association  
South Florida Business Aviation Association