

1 STATE OF OKLAHOMA

2 1st Session of the 54th Legislature (2013)

3 SENATE BILL 645

By: Schulz

6 AS INTRODUCED

7 An Act relating to aircraft excise tax; amending 68
8 O.S. 2011, Section 6003, which relates to exemptions;
9 exempting the purchase of specified aircraft from
10 excise tax levy; and providing an effective date.

11 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

12 SECTION 1. AMENDATORY 68 O.S. 2011, Section 6003, is
13 amended to read as follows:

14 Section 6003. The following aircraft shall be exempt from
15 provisions of Section 6001 et seq. of this title:

16 1. Aircraft manufactured under an F.A.A. approved certificate
17 and which are owned and in the physical possession of the
18 manufacturer of the aircraft. The aircraft shall have an aircraft
19 exemption license as provided for in Section 254 of Title 3 of the
20 Oklahoma Statutes;

21 2. Aircraft owned by dealers and in the dealer's inventory, not
22 including aircraft that are used personally or for business. In
23 order for this exemption to apply, the dealer shall be licensed in
24

1 accordance with Section ~~2 of this act~~ 254.1 of Title 3 of the
2 Oklahoma Statutes;

3 3. Aircraft of the federal government, any agency thereof, any
4 territory or possession, any state government, agency, or political
5 subdivision thereof;

6 4. Aircraft transferred from one corporation or limited
7 liability company to another corporation or limited liability
8 company pursuant to reorganization of the corporation or limited
9 liability company. For the purpose of this section the term
10 reorganization means a statutory merger, consolidation, or
11 acquisition;

12 5. Aircraft purchased or used by commercial airlines as defined
13 by paragraph 2 of Section 6001 of this title;

14 6. Aircraft transferred in connection with the dissolution or
15 liquidation of a corporation or limited liability company and only
16 if included in a payment in kind to the shareholders or members;

17 7. Aircraft transferred to a corporation for the purpose of
18 organizing such corporation. However, the former owners of the
19 aircraft must have control of the corporation in proportion to their
20 interest in the aircraft prior to the transfer;

21 8. Aircraft transferred to a partnership or limited liability
22 company when the organization of the partnership or limited
23 liability company is by the former owners of the aircraft. However,
24 the former owners of the aircraft must have control of the

1 partnership in proportion to their interest in the aircraft prior to
2 the transfer;

3 9. Aircraft transferred from a partnership or limited liability
4 company to the members of the partnership or limited liability
5 company and if made in payment in kind in the dissolution of the
6 partnership;

7 10. Aircraft transferred or conveyed to a partner of a
8 partnership or shareholder or member of a limited liability company
9 or other person who after such sale owns a joint interest in the
10 aircraft and on which the sales or use tax levied pursuant to the
11 provisions of this title or the excise tax levied pursuant to the
12 provisions of Section 6002 of this title have previously been paid
13 on the aircraft;

14 11. Aircraft on which a tax levied pursuant to the provisions
15 of the laws of another state, equal to or in excess of the excise
16 tax levied by Section 6002 of this title, has been paid by the
17 person using the aircraft in this state. Aircraft on which a tax
18 levied pursuant to the laws of another state, in an amount less than
19 the excise tax levied by Section 6002 of this title, has been paid
20 by the person using the aircraft in this state shall be subject to
21 the levy of the excise tax at a rate equal to the difference between
22 the rate of tax levied by Section 6002 of this title and the rate of
23 tax levied by the other state;

1 12. Aircraft when legal ownership of such aircraft is obtained
2 by the applicant for a certificate of title by inheritance;

3 13. Aircraft when legal ownership of such aircraft is obtained
4 by the lienholder or mortgagee under or by foreclosure of a lien or
5 mortgage in the manner provided for by law;

6 14. Aircraft which is transferred between husband and wife or
7 parent and child where no valuable consideration is given;

8 15. Aircraft which is purchased by a resident of this state and
9 used exclusively in this state for agricultural spraying purposes;
10 provided, if such aircraft is sold, leased or used outside this
11 state or for a purpose other than agricultural spraying at any time
12 within three (3) years from the date of purchase, the excise tax
13 levied pursuant to the provisions of Section 6002 of this title
14 shall be due and payable. For purposes of this subsection,
15 "agricultural spraying" means the aerial application of any
16 substance sold and used for soil enrichment or soil corrective
17 purposes or for promoting the growth and productivity of plants and
18 animals;

19 16. Aircraft which have a selling price in excess of Two
20 Million Five Hundred Thousand Dollars (\$2,500,000.00) and which are
21 transferred to a purchaser who is not a resident of this state for
22 immediate transfer out of state; ~~and~~

23 17. Aircraft which is transferred without consideration between
24 an individual and an express trust which that individual or the

1 spouse, child or parent of that individual has a right to revoke;
2 and

3 18. Aircraft which is purchased to be used exclusively for the
4 purpose of training relating to rotary-wing aircraft.

5 SECTION 2. This act shall become effective November 1, 2013.

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