



CITY OF GRAND JUNCTION RETAIL SALES AND USE TAX ORDINANCE Administrative Regulations

REGULATION 34-107(31) Commercial Aircraft Parts

[2001-01]

SUMMARY

All sales of aircraft and aviation or special fuel used in interstate or intrastate commerce and foreign air transportation by a commercial airline or an "air carrier" are not subject to sales or use tax. Commercial aircraft parts are also not subject to sales or use tax.

DEFINITIONS

A commercial airline is defined as an airline carrying freight or passengers on regularly scheduled flights for a fee.

Air carrier as defined in 49 U.S.C. section 1301

Aircraft parts are parts to be permanently affixed or attached as a component part of an aircraft used by a commercial airline.

TAXABILITY OF ITEMS

Exemptions from sales tax are as follows:

Aircraft

Aircraft parts – used exclusively and directly in an aircraft operated by a commercial airline.

Aviation fuel or special fuel

These exemptions apply **only** when the above items are used in interstate or intrastate commerce, or foreign air transportation by a commercial airline. However, all other support items remain taxable. Examples of support items include, but are not limited to: uniforms; baggage handling equipment; freight on baggage handling equipment; air conditioning units; ground power units; storage tanks; and lavatory service carts.

Aviation and special fuel used as fuel for the propulsion of aircraft of "air carriers" engaged in interstate, intrastate and foreign air transportation, as defined in 49 U.S.C. section 1301 are exempt.

/s/ Ronald M.Lappi
Ronald M. Lappi
Finance Director
City of Grand Junction

The foregoing regulation, having been duly promulgated and the public having had opportunity to comment on the propriety of said regulation after public notice, is hereby adopted and is deemed effective this 18th day of August, 2001.