

Sales and Use Tax Exemption Related to the Repair and Maintenance of Aircraft Made Permanent

Recently enacted legislation (Chapter 204 of the Laws of 2009) made permanent the state and local sales and use tax (sales tax) exemption related to the repair and maintenance of aircraft. This exemption was originally provided for by Chapter 60 of the Laws of 2004. Without this legislation, the exemption would have expired on December 1, 2009.

This exemption applies to sales of:

- the service of installing tangible personal property in aircraft; and
- the services of maintaining, servicing, and repairing aircraft.

The exemption also applies to:

- tangible personal property purchased by a person providing the services described above, provided the property becomes a physical component part of the aircraft, or is a lubricant applied to the aircraft; and
- the service of storing aircraft if provided by a person in conjunction with and during the rendering of a service described above.

(See Tax Law section 1115(dd).)

For further information on this exemption, see TSB-M-04(8)S, *Summary of 2004 Budget Legislation and Other Recently Enacted Legislation Relating to Sales and Compensating Use Taxes*.

NOTE: A TSB-M is an informational statement of existing department policies or of changes to the law, regulations, or department policies. It is accurate on the date issued. Subsequent changes in the law or regulations, judicial decisions, Tax Appeals Tribunal decisions, or changes in department policies could affect the validity of the information presented in a TSB-M.