



March 1, 2012

Oppose Maryland Bill Seeking A Sales And Use Tax For The Purchase Of Aircraft

What's at Issue

[Maryland House Bill 1345](#), Sales and Use Tax - Luxury Surcharge was introduced on February 16, 2012, by Representative Sheila Hixson, chair of the state Committee on House Ways and Means, and Delegate Heather Mizeur. The bill would add a one percent luxury surcharge to Maryland's sales and use tax on the purchase of "tangible personal property," including motor vehicles, motorcycles, boats and planes, if the taxable price is greater than \$35,000.00. The surtax on property sold for a taxable price of more than \$90,000 would be \$550 plus two percent of the amount above that price.

Why It's Important

This bill is introduced at a time when states around the country are implementing sales and use tax exemptions of aircraft in an effort to remain competitive and business friendly while boosting job opportunities. Increasing the sales and use tax on airplanes will decrease Maryland's "open-for-business" competitiveness and will force pilots and buyers to travel to other states to purchase airplanes.

What to Do

[Contact your state legislators](#) in the state House of Representatives and Senate in opposition to this legislation. To find your legislators, please [click here](#).

NATA Position

Maryland currently has 3,476 general aviation aircraft at its 37 airports, according to the Alliance for Aviation Across America. Imposing a "luxury surcharge" on airplanes that cost more than \$35,000.00 is the opposite of what should be done to keep general aviation thriving within the state. General aviation already contributes more than \$40 million to the state's local taxes.

Status

The bill has been referred to the Maryland House Committee on Ways and Means.

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