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## Memorandum of Support Virginia HB 1738

The Aircraft Owners and Pilots Association (AOPA) is the world's largest aviation organization, representing the general aviation interests of pilots and aircraft owners, including more than 9,000 of our members in the state of Virginia. On behalf of these members, **AOPA supports House Bill 1738.**

General Aviation is a mobile industry. While convenience is a chief concern, expense is the principal motive—even if it means leaving or skipping over Virginia to save money in neighboring states. For this reason, competition at airports across state lines is fierce. The opportunity for a state to increase its competitive edge over its neighbor-states is limited, making the necessity to keep-pace, vital. To remain competitive in a region filled with aviation-friendly states, Virginia needs a targeted exemption on the sales of aircraft parts and components.

The cost of aircraft parts is typically uniform across a region. The primary difference in cost to the consumer is a combination of tax and convenience. Given that the cost of typical aircraft maintenance can range anywhere from \$500 to \$500,000 and up, depending on the type of service rendered, the difference of taxes can be significant. For guaranteed savings, aircraft owner/operators often acquire these services out of state. As Virginia's aviation businesses lose out, so to do their host airports—many of which are municipally owned. In fact, all states north of Maryland (excluding Delaware which has a sales tax of only 0.384%), and Ohio, exempt 'aircraft maintenance' (parts & labor) from sales taxes. Furthermore, Delegates in Maryland and West Virginia have filed similar legislation this session targeting exemptions on aircraft maintenance.

Therefore, to keep pace with the competitive advances of neighboring states, eliminate a competitive disadvantage to local aviation businesses and to take advantage of the growing demand for business aviation, **AOPA supports House Bill 1738.**

*About AOPA—*

*AOPA is committed to ensuring the safety, future viability, and development of general aviation as an integral part of a national transportation system. Since 1939, AOPA has protected the freedom to fly by creating an environment that gives people of all ages the opportunity to enjoy aviation and all it has to offer.*