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Memorandum of Support Virginia House Bill 1729 / Senate Bill 942

The Aircraft Owners and Pilots Association (AOPA) is the world's largest aviation organization, representing the general aviation interests of aircraft owners and pilots, including nearly 8,000 members in the Commonwealth of Virginia. On behalf of these members, **AOPA supports House Bill 1729** / **Senate Bill 942**.

The Commonwealth's system of 66 public-use airports supports 146,600 jobs earning \$7.7 billion in wages generating \$23 billion in annual economic activity. According to the Virginia Department of Aviation 2018 Economic Impact Report, this economic activity delivers over \$1 billion in federal, state, and local taxes. Airports and aviation businesses servicing transient aircraft are integral to this economic success.

Those states that enjoy the greatest gains in economic activity employ the broadest range of incentives, avoiding sunset provisions that serve only to stifle longer-term investments. 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 aircraft maintenance can range from \$500 to \$500,000 or more annually, the difference in taxes can be significant. For guaranteed savings, aircraft owners/operators often acquire these services where savings are tangibly realized. When Virginia's aviation businesses lose out, so do their host airports—most of which are municipally owned.

General Aviation is a mobile industry. While convenience is a chief concern, expense is the principal motive in choosing where to base and service aircraft, even if it means leaving or avoiding Virginia entirely. For this reason, competition at airports across state lines is fierce. The opportunity for a state to increase its competitive edge over its neighboring states is limited, making it vital to keep pace.

To remain competitive in a region filled with aviation-friendly states, cementing Virginia's sales tax exemption on aircraft parts and components is crucial. Maryland, North Carolina, Pennsylvania, and West Virginia provide the same or similar tax exemptions. Therefore, to keep pace with the competitive advances of neighboring states and ensure Virginia remains competitive, **AOPA supports House Bill 1729 / Senate Bill 942.**

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. For questions, please contact AOPA Eastern Regional Manager Sean Collins at (301)695-2090 or by email at sean.collins@aopa.org.