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February 10, 2009

The Honorable John E. Bradley
Chairperson, Revenue and Finance Committee
Illinois House of Representatives
265-S Stratton Office Building
Springfield, IL 62706

Dear Chairman Bradley:


The Aircraft Owners and Pilots Association (AOPA), a not-for-profit membership organization, represents the general aviation interests of over 416,000 members nationwide – including over 5,800 in Illinois. Since 1939, AOPA has been committed to ensuring the safety, future viability, and development of general aviation airports and their facilities as a part of our national transportation system. We write to express our strong opposition to Illinois House Bill 451.

Illinois House Bill 451 would impose an additional 5% tax on the purchase of general aviation aircraft over the price of \$500,000 – and, unfortunately, represents a misunderstanding of the role of general aviation in the state's economy by classifying aircraft as "luxury items" along with fur coats and jewelry. General aviation contributes more than \$6 billion to the state economy annually as an integral part of the Illinois' multi-modal transportation system. The imposition of this excessive taxation on aircraft, while intended to generate revenue, will have the opposite effect, and severely depress aviation activity within the state -- resulting in an overall loss of revenue in the long term with detrimental effects on the overall economy.

It is important to note that Illinois' current aircraft sales tax rate of 7.25% is already considerably higher than nearly every other state – with current rates at 2.9%, 3% and 5.5% in Colorado, North Carolina, and Wisconsin respectively as just a few examples. If an additional 5% tax were imposed, potential aircraft consumers will inevitably look outside Illinois for more advantageous tax rates to purchase their aircraft, and/or avoid basing their aircraft in the state all together.

We hope that, upon closer examination, this tax increase will be recognized as a hindrance to the economic recovery in Illinois and that this provision will be removed from this legislation. If you or your staff has any questions, please do not hesitate to contact me or our Regional Representative, Bill Blake at 309-692-7653. Thank you for your consideration.

Very truly yours,


Gregory Pecoraro
Vice President, Regional Affairs