

SENATE BILL REPORT

SSB 5989

As Passed Senate, March 16, 1999

Title: An act relating to aircraft registration fees and taxes.

Brief Description: Adjusting aircraft registration fees and tax distribution.

Sponsors: Senate Committee on Transportation (originally sponsored by Senators Haugen, Morton and Rasmussen).

Brief History:

Committee Activity: Transportation: 3/3/99, 3/8/99 [DPS].
Passed Senate, 3/16/99, 42-5.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5989 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Gardner, Vice Chair; Goings, Vice Chair; Costa, Jacobsen, Morton, Oke, Patterson, Sellar, Sheahan, T. Sheldon, Shin and Swecker.

Staff: Reema Shawa (786-7301)

Background: Currently in the State of Washington, there are approximately 5,700 registered aircraft. Under current distribution laws, 90 percent of the excise tax collected for aircraft registration is deposited in the General Fund and 10 percent is deposited into the Aeronautics Account of the Transportation Fund. There is also an additional \$4 fee attached to every aircraft registration which is dedicated to the Aeronautics Account. Despite the imbalance of current revenue distributions, the aircraft registration program is entirely administered by the Department of Transportation's Aviation Division.

Summary of Bill: The current \$4 aircraft registration fee is increased to \$8. Airplanes housed at airports jointly owned or operated by governmental entities from two or more states, and whose owners are nonresidents of Washington State, are exempt from paying Washington's aircraft registration excise tax if they can show proof that they have paid all taxes, license fees, and registration fees required by the state in which they reside. (Example: Idaho residents whose planes are housed at the Pullman Moscow airport would be exempt from Washington's aircraft registration excise tax.)

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill will provide aviation with much needed revenue to operate its registration program and improve its current services. This bill will ensure that nonresidents will not have to register their planes twice and pay taxes on their registration twice. This exemption will protect the livelihood of those airports owned by multiple government entities from two or more states, as now none of their customers will have to pay double to park their planes at these airports.

Testimony Against: None.

Testified: PRO: Senator Sheahan; Tom Jensen, Washington Air Search and Rescue; H. Allen Smith, Washington Pilots Association; Bill Brubaker, Aviation Division, Department of Transportation.