KANSAS DEPARTMENT OF REVENUE

AIRCRAFT EXEMPTION CERTIFICATE

The undersigned purchaser certifies that the tangible personal property or service purchased from:

Seller: _____
Business Name

Address: _____
Street, RR, or P. O. Box City State Zip + 4

is exempt from Kansas sales and compensating use tax for the following reason:

K.S.A. 79-3606(g)exempts all sales of aircraft including remanufactured and modified aircraft sold to persons using directly or through an authorized agent such aircraft as certified or licensed carriers of persons or property in interstate or foreign commerce under authority of the laws of the United States or any foreign government or sold to any foreign government or agency or instrumentality of such foreign government and all sales of aircraft, for use outside of the United States and sales of aircraft repair, modification and replacement parts and sales of services employed in the remanufacture, modification and repair of aircraft.

Description of tangible personal property or services purchased: _____

_____

Tail Number of Aircraft: _____

The undersigned understands and agrees that if the property or services are used other than as stated above or for any other purpose that is not exempt from sales or compensating tax, the undersigned purchaser becomes liable for the tax.

Purchaser: _____
Business Name

Address: _____
Street, RR, or P. O. Box City State Zip + 4

Authorized Signature: _____ Date: _____

THIS CERTIFICATE MUST BE COMPLETED IN ITS ENTIRETY.

WHO MAY USE THIS EXEMPTION?

The U.S. government and any of its agencies, foreign governments and their agencies, domestic airlines, foreign airlines, and charter companies qualify for this exemption. Persons licensed in interstate commerce (such as those licensed under a FAA part 135, air taxi certificate) also qualify for this exemption. A licensed or certified carrier of persons or property engaged in interstate or foreign commerce is exempt even though the aircraft never leaves Kansas (all flights are intrastate). The exemption also applies to sales made through an authorized agent of the air carrier for the eventual use in interstate or foreign commerce. Effective January 1, 2005 sales of aircraft repair, modification and replacement parts and sales of services employed in the remanufacture, modification and repair of all aircraft are exempt from Kansas retailers' sales and compensating use taxes.

WHAT PURCHASES ARE EXEMPT?

A purchaser meeting the above definitions may purchase new, used, rebuilt or modified aircraft, all repair or replacement parts, and the labor services to build, modify or repair any aircraft exempt from sales tax. In other words, a qualified purchaser may have a plane built, remanufactured, modified or repaired in Kansas, and all aspects of the sale are exempt from sales tax with this exemption certificate. Aircraft, repair parts and labor, and oil and gas are also exempt when the aircraft is used exclusively for resale, rental, or leasing purposes.

WHAT SALES ARE TAXABLE?

Persons and businesses whose aircraft is used for personal, company, recreational, or instructional purposes are NOT exempt and cannot use this exemption certificate to purchase aircraft. The January 1, 2005 amendment exempts only the repair parts and services. Purchasers must pay sales tax on the purchase price of aircraft. Those not licensed in interstate or foreign commerce are considered to be the final consumer of the aircraft and must pay sales tax when buying the aircraft and on purchases of aviation fuel and oil.

RETAINING THIS CERTIFICATE

Sellers should retain a completed copy of this certificate in their records for at least three years from the date of sale. A seller is relieved of liability for the tax if it obtains a completed exemption certificate from a purchaser with which the seller has a recurring business relationship. A certificate need not be renewed or updated when there is a recurring business relationship between the buyer and seller. A recurring business relationship exists when a period of no more than 12 months elapses between sales transactions.