HOUSE OF REPRESENTATIVES



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LD 2005 An act to eliminate the aircraft excise tax.

Good Afternoon Chairs Grohoski, Perry and all esteemed members of the Joint Standing Committee of Taxation, I am Rep. Kathy Javner presenting in lieu of Rep. Ann Fredericks' absence today.

The Maine aircraft excise tax disincentivizes private and corporate aircraft owners from housing their plane in Maine resulting in enormous loss of commerce and revenue in the form of: Maine Fuel tax, both professional and service level jobs, Hanger construction or rental costs, collateral mechanical service and costs, food provisions sales, etc. Recognizing how this tax stifles local growth in their aviation industry and local businesses, both New Hampshire and Massachusetts do not assign an aircraft excise tax. Consequently, some Maine owners now base their aircraft in New Hampshire or Massachusetts. This is a missed opportunity for Maine.

Maine aircraft excise tax is paid locally to the municipality; it is not paid to the state. Typically, it is the duty of the local assessor's office to retrieve; however, compliance in securing these funds is inconsistent contingent upon the local efforts and diligence. Maine Internal Revenue Service does not enforce collection of this tax.

LD 2005 arose from the grass roots coalescence of Maine's 34 Public Use Regional Airport Directors and spearheaded by Sanford Regional Airport Director Allison Navia. They fully appreciate the impact of removing this tax as it will attract private and corporate aircraft owners to base in Maine and with that comes an abundance of business and commerce stimulus. Additionally, this will bring opportunity for local community growth and development.

Please support our local airport leaders, incentivize the return of aviation industry activities, business and commerce to our great state of Maine and vote in support of LD2005.

Anne Fredericks State Representative