



Be Alert to Potential Future Changes to New York Aircraft Tax Law

By Jessica Pownell

In 2015, the business aviation community enthusiastically supported the passage of an exemption for “general aviation aircraft” from New York states sales and use tax. Prior to passage of the new tax law, the sale or use of corporate aircraft in New York could be subject to the full New York sales tax rate. The exemption brought New York in line with a number of other states in the vicinity that offer exemptions for business aircraft sales and usage.

However, in 2019, several Bills were introduced in the New York Legislature to repeal such exemption (specifically, Senate Bill S7135 and Assembly Bill A9053). The 2020 New York Legislative Session was suspended for nearly two months due to the COVID-19 pandemic, and the Bills never made it out of Committee. However, it is possible that the exemption could face repeal again in 2021 or beyond. We will continue to closely monitor any new developments.