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Pilot Center, LSA North, Western Petroleum Company and Executive Aviation.

“We wanted to create an event where aircraft buyers, sellers and aviation enthusiasts could get all of their questions answered, whether the questions were about purchasing and

financing a new plane, or installing a new avionics system,” said Ashenfelter.

ASI Jet Center plans to host the second annual NEAE, September 15-16, 2010 (dates subject to change). With the opening of Flying Cloud Airport’s expanded runway (from

3,900 to 5,000 feet) in November 2009, they are hoping to add some of the medium and large cabin-class jets to the static display next year.

To learn more about NEAE, visit www.northernexposureaviationexpo.com. To learn more about ASI Jet Center visit www.asijet.com. □

Minnesota Business Aviation Association (MBAA) Proposes Increasing Fuel Tax On Turbine Aircraft & Reducing Aircraft Registration Fees

ST. PAUL, MINN. – If you own a \$20 million corporate jet in Minnesota, you can pay up to \$200,000.00 to register it the first year, and less in subsequent years. If you own a Cessna 150, you pay about \$75.00 per year.

The Minnesota Business Aviation Association (MBAA) believes that the rates for the larger aircraft are too high, and have proposed reducing registration fees on turbine aircraft, and replacing it with a higher tax on jet fuel, so transient aircraft pay their fair share.

According to Gordon Hoff, Executive Director of MBAA, and a former employee with the Minnesota DOT Office of Aeronautics, the proposal does not include any changes to piston aircraft registration or avgas fuel rates. Aircraft registration fees and avfuel taxes would continue to operate under the current policies, says Hoff. MBAA is proposing changes only for turbine aircraft and jet fuel. Under the proposal, turbine aircraft would pay a registration fee based on weight – \$.50 per lb. of the maximum gross takeoff weight. Some members of the MBAA task force would like to see upper end piston aircraft be considered in the new \$.50 per lb. registration fee rate, but that has yet to be decided.

Currently, aircraft registration fees are based on the manufacturer’s base list price of the aircraft: 1% of the value of the aircraft for the first year, and for the next 6 years, this is reduced from 1% to 0.25%. For years 7 and

for the next 43 years, the rate drops to \$25,000.00 per year. Turbine aircraft owners in surrounding states pay as little as \$300.00 in South Dakota and as much as \$5,000.00 in Iowa to register their aircraft, says Hoff.

Here’s a side-by-side comparison of current and proposed fees:

<u>Non-Turbine Aircraft</u>	<u>Current</u>	<u>Proposed Change</u>
<u>Registration Fees</u>		
C150 (Example)	\$75.00 per year	None
<u>Fuel Tax</u>	\$.05 per gallon	None (Assuming they are not burning over 50,000 gallons in a year.)
<u>Turbine Aircraft</u>		
<u>Registration Fees</u>		
Citation X (\$20M Value)	\$200,000.00	\$18,000.00 (\$.50/lb)
<u>Fuel Tax</u>	\$.05 to \$50K \$.02 to \$150K \$.01 to \$200K \$.005 after \$200K	\$.06 (no limit)

MBAA is soliciting input and support from other aviation organizations in the state. Individuals can email Gordon Hoff at gordon.hoff@comcast.net, or call 651-398-4649. □

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