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OHIO LEGISLATIVE SERVICE COMMISSION

Office of Research
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Office

S.B. 172
135th General Assembly

Bill Analysis

Version: As Introduced

Primary Sponsor: Sen. Brenner

Mackenzie Damon, Attorney

SUMMARY

- Exempts sales of manned aircraft from sales and use taxes.

DETAILED ANALYSIS

Sales and use tax exemption for manned aircraft

The bill exempts the sale of manned aircraft from state and local sales and use taxes. A qualifying aircraft is any manned device that is used, or intended to be used, for flight. The exemption applies to any such aircraft purchased on or after the first day of the first month that begins after the bill's 90-day effective date.¹

Existing exemptions related to aircraft

Continuing law offers several sales tax exemptions or reductions related to aircraft. The bill does not affect any of these existing provisions. They include all of the following:

1. An exemption for the sale of materials, parts, and equipment used in the repair or maintenance of aircraft of avionics systems, and of maintenance and repair services;
2. An \$800 tax cap on the sale of shares of a qualified fractionally owned aircraft, i.e., an aircraft provided through a program through which individuals can purchase fractional ownership shares of an aircraft;
3. An exemption for the sale of goods and services for the maintenance and repair of qualified fractionally owned aircraft.²

¹ R.C. 5739.02(B)(67); Section 3.

² R.C. 5739.02(B)(44) and (49) and R.C. 5739.025(C), not in the bill.

HISTORY

Action	Date
Introduced	10-17-23
