

FIRST REGULAR SESSION

HOUSE BILL NO. 713

93RD GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVE COOPER (158).

Read 1st time March 3, 2005 and copies ordered printed.

STEPHEN S. DAVIS, Chief Clerk

1855L.011

AN ACT

To repeal sections 144.805 and 305.230, RSMo, and to enact in lieu thereof two new sections relating to aviation.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Section 144.805 and 305.230, RSMo, are repealed and two new sections
2 enacted in lieu thereof, to be known as sections 144.805 and 305.230, to read as follows:

144.805. 1. In addition to the exemptions granted pursuant to the provisions of section
2 144.030, there shall also be specifically exempted from the provisions of sections 144.010 to
3 144.525, sections 144.600 to 144.748, and section 238.235, RSMo, and the provisions of any
4 local sales tax law, as defined in section 32.085, RSMo, and from the computation of the tax
5 levied, assessed or payable pursuant to sections 144.010 to 144.525, sections 144.600 to 144.748,
6 and section 238.235, RSMo, and the provisions of any local sales tax law, as defined in section
7 32.085, RSMo, all sales of aviation jet fuel in a given calendar year to common carriers engaged
8 in the interstate air transportation of passengers and cargo, and the storage, use and consumption
9 of such aviation jet fuel by such common carriers, if such common carrier has first paid to the
10 state of Missouri, in accordance with the provisions of this chapter, state sales and use taxes
11 pursuant to the foregoing provisions and applicable to the purchase, storage, use or consumption
12 of such aviation jet fuel in a maximum and aggregate amount of one million five hundred
13 thousand dollars of state sales and use taxes in such calendar year.

14 2. To qualify for the exemption prescribed in subsection 1 of this section, the common
15 carrier shall furnish to the seller a certificate in writing to the effect that an exemption pursuant
16 to this section is applicable to the aviation jet fuel so purchased, stored, used and consumed. The

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

17 director of revenue shall permit any such common carrier to enter into a direct-pay agreement
18 with the department of revenue, pursuant to which such common carrier may pay directly to the
19 department of revenue any applicable sales and use taxes on such aviation jet fuel up to the
20 maximum aggregate amount of one million five hundred thousand dollars in each calendar year.
21 The director of revenue shall adopt appropriate rules and regulations to implement the provisions
22 of this section, and to permit appropriate claims for refunds of any excess sales and use taxes
23 collected in calendar year 1993 or any subsequent year with respect to any such common carrier
24 and aviation jet fuel.

25 3. The provisions of this section shall apply to all purchases and deliveries of aviation
26 jet fuel from and after May 10, 1993.

27 4. All sales and use tax revenues upon aviation jet fuel received pursuant to this chapter,
28 less the amounts specifically designated pursuant to the constitution or pursuant to section
29 144.701, for other purposes, shall be deposited to the credit of the aviation trust fund established
30 pursuant to section 305.230, RSMo; provided however, the amount of such state sales and use
31 tax revenues deposited to the credit of such aviation trust fund shall not exceed six million
32 dollars in each calendar year.

33 5. The provisions of this section and section 144.807 shall expire on December 31,
34 [2008] **2013**.

305.230. 1. The state highways and transportation commission shall administer an
2 aeronautics program within this state. The commission shall encourage, foster and participate
3 with the political subdivisions of this state in the promotion and development of aeronautics.
4 The commission may provide financial assistance in the form of grants from funds appropriated
5 for such purpose to any political subdivision or instrumentality of this state acting independently
6 or jointly or to the owner or owners of any privately owned airport designated as a reliever by
7 the Federal Aviation Administration for the planning, acquisition, construction, improvement
8 or maintenance of airports, or for other aeronautical purposes.

9 2. Any political subdivision or instrumentality of this state or the owner or owners of any
10 privately owned airport designated as a reliever by the Federal Aviation Administration receiving
11 state funds for the purchase, construction, or improvement, except maintenance, of an airport
12 shall agree before any funds are paid to it to control by ownership or lease the airport for a period
13 equal to the useful life of the project as determined by the commission following the last
14 payment of state or federal funds to it. In the event an airport authority ceases to exist for any
15 reason, this obligation shall be carried out by the governing body which created the authority.

16 3. Unless otherwise provided, grants to political subdivisions, instrumentalities or to the
17 owner or owners of any privately owned airport designated as a reliever by the Federal Aviation
18 Administration shall be made from the aviation trust fund. In making grants, the commission

19 shall consider whether the local community has given financial support to the airport in the past.
20 Priority shall be given to airports with local funding for the past five years with no reduction in
21 such funding. The aviation trust fund is a revolving trust fund exempt from the provisions of
22 section 33.080, RSMo, relating to the transfer of funds to the general revenue funds of the state
23 by the state treasurer. All interest earned upon the balance in the aviation trust fund shall be
24 deposited to the credit of the same fund.

25 4. The moneys in the aviation trust fund shall be administered by the commission and,
26 when appropriated, shall be used for the following purposes:

27 (1) As matching funds on an up to ninety percent state/ten percent local basis, except in
28 the case where federal funds are being matched, when the ratio of state and local funds used to
29 match the federal funds shall be fifty percent state/fifty percent local:

30 (a) For preventive maintenance of runways, taxiways and aircraft parking areas, and for
31 emergency repairs of the same;

32 (b) For the acquisition of land for the development and improvement of airports;

33 (c) For the earthwork and drainage necessary for the construction, reconstruction or
34 repair of runways, taxiways, and aircraft parking areas;

35 (d) For the construction, or restoration of runways, taxiways, or aircraft parking areas;

36 (e) For the acquisition of land or easements necessary to satisfy Federal Aviation
37 Administration safety requirements;

38 (f) For the identification, marking or removal of natural or manmade obstructions to
39 airport control zone surfaces and safety areas;

40 (g) For the installation of runway, taxiway, boundary, ramp, or obstruction lights,
41 together with any work directly related to the electrical equipment;

42 (h) For the erection of fencing on or around the perimeter of an airport;

43 (i) For purchase, installation or repair of air navigational and landing aid facilities and
44 communication equipment;

45 (j) For engineering related to a project funded under the provisions of this section and
46 technical studies or consultation related to aeronautics;

47 (k) For airport planning projects including master plans and site selection for
48 development of new airports, for updating or establishing master plans and airport layout plans
49 at existing airports;

50 (l) For the purchase, installation, or repair of safety equipment and such other capital
51 improvements and equipment as may be required for the safe and efficient operation of the
52 airport;

53 (2) As total funds, with no local match:

54 (a) For providing air markers, windsocks, and other items determined to be in the interest

55 of the safety of the general flying public;

56 (b) For the printing and distribution of state aeronautical charts and state airport
57 directories on an annual basis, and a newsletter on a quarterly basis or the publishing and
58 distribution of any public interest information deemed necessary by the commission;

59 (c) For the conducting of aviation safety workshops;

60 (d) For the promotion of aerospace education;

61 (3) As total funds with no local match, up to five hundred thousand dollars per year may
62 be used for the cost of operating existing air traffic control towers that do not receive funding
63 from the Federal Aviation Administration or the United States Department of Defense, except
64 no more than one hundred [twenty-five] **sixty-seven** thousand dollars per year may be used for
65 any individual control tower.

66 5. In the event of a natural or manmade disaster which closes any runway or renders
67 inoperative any electronic or visual landing aid at an airport, any funds appropriated for the
68 purpose of capital improvements or maintenance of airports may be made immediately available
69 for necessary repairs once they are approved by the commission. For projects designated as
70 emergencies by the commission, all requirements relating to normal procurement of engineering
71 and construction services are waived.

72 6. As used in this section, the term "instrumentality of the state" shall mean any state
73 educational institution as defined in section 176.010, RSMo, or any state agency which owned
74 or operated an airport on January 1, 1997, and continues to own or operate such airport.