

SECOND REGULAR SESSION

# HOUSE BILL NO. 1639

## 94TH GENERAL ASSEMBLY

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INTRODUCED BY REPRESENTATIVES BRUNS (Sponsor), RICHARD, ROBB, THRELKELD, PEARCE,  
LIPKE, TILLEY, SCHLOTTACH AND SATER (Co-sponsors).

Read 1st time January 14, 2008 and copies ordered printed.

D. ADAM CRUMBLISS, Chief Clerk

4231L.01I

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### AN ACT

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

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

Section A. Sections 144.805 and 305.230, RSMo, are repealed and two new sections  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] **144.749**, and section 238.235, RSMo, and the provisions  
4 of any local sales tax law, as defined in section 32.085, RSMo, and from the computation of the  
5 tax levied, assessed or payable pursuant to sections 144.010 to 144.525, sections 144.600 to  
6 [144.748] **144.749**, and section 238.235, RSMo, and the provisions of any local sales tax law,  
7 as defined in section 32.085, RSMo, all sales of aviation jet fuel in a given calendar year to  
8 common carriers engaged in the interstate air transportation of passengers and cargo, and the  
9 storage, use and consumption of such aviation jet fuel by such common carriers, if such common  
10 carrier has first paid to the state of Missouri, in accordance with the provisions of this chapter,  
11 state sales and use taxes pursuant to the foregoing provisions and applicable to the purchase,  
12 storage, use or consumption of such aviation jet fuel in a maximum and aggregate amount of one  
13 million five hundred thousand dollars of state sales and use taxes in such calendar year.

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.

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  
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] **155.090**, RSMo[; provided however, the amount of such state sales  
31 and use tax revenues deposited to the credit of such aviation trust fund shall not exceed six  
32 million dollars in each calendar year].

33           5. The provisions of this section and section 144.807 shall expire on December 31, 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 airport;

52 (m) **If at least six million dollars is deposited into the aviation trust fund in the**  
53 **previous calendar year, up to two million dollars may be expended annually to study or**  
54 **promote expanded scheduled commercial service, to study or promote intrastate scheduled**  
55 **commercial service, or to assist airport sponsors participating in a federal funded air**  
56 **service program supporting intrastate scheduled commercial service;**

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

58 (a) For providing air markers, windsocks, and other items determined to be in the interest  
59 of the safety of the general flying public;

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

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

64 (d) For the promotion of aerospace education;

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

70 (4) **As total funds with a local match, up to five hundred thousand dollars per year**  
71 **may be used for air traffic control towers partially funded by the federal government**  
72 **under a cost-share program. Any expenditures under this program shall require a**  
73 **nonfederal match, with a ratio of fifty percent state and fifty percent local funds. No more**  
74 **than one hundred thousand dollars per year shall be expended for any individual air**  
75 **traffic control tower.**

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

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

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