



Special Notice

WASHINGTON STATE DEPARTMENT OF REVENUE

MAY 5, 2010

FAR Part 145 Preferential B&O Tax Rate Extended

Note: ESSB 5952, Chapter 2, Laws of 2013 extends the expiration date for this tax incentive to June 30, 2040.

Introduction

Substitute Senate Bill (SSB) 6712 (Chapter 11, Laws of 2010) extends the expiration date on Washington's preferential business and occupation (B&O) tax rate for Federal Aviation Regulation (FAR) Part 145 certificated repair stations.

What the bill does

The bill extends the preferential B&O tax rate of .2904% to July 1, 2024 from July 1, 2011, for aircraft repair facilities classified as FAR Part 145 certificated repair stations. Extending the date provides consistency with other aerospace tax incentives that expire in 2024. (RCW 82.04.250)

Effective date

The law goes into effect July 13, 2011.

Annual report required

Certificated FAR part 145 repair stations who report taxes under the preferential B&O tax rate or who claim a tax credit or exemption under the aerospace incentive program must submit an annual report to the Department of Revenue. (RCW 82.32.545)

Electronic filing required

All reports and other such documents required by the Department of Revenue to take advantage of the aerospace tax incentives must be filed electronically.

More tax incentives

FAR Part 145 certificated repair stations may qualify to use these other tax incentives:

- A retail sales and use tax exemption for computers used in providing aerospace services (RCW 82.08.975 and 82.12.975)
- An aerospace preproduction development expenditures B&O tax credit (RCW 82.04.4461)
- A property and leasehold excise tax B&O tax credit (RCW 82.04.4463)

For more information

See our website at <http://dor.wa.gov> for more information about these tax incentives.

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