



State of Washington  
Department of Revenue

# Excise Tax Advisory

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Excise Tax Advisories (ETA) are interpretive statements issued by the Department of Revenue under authority of RCW 34.05.230. ETAs explain the Department's policy regarding how tax law applies to a specific issue or specific set of facts. They are advisory for taxpayers; however, the Department is bound by these advisories until superseded by Court action, Legislative action, rule adoption, or an amendment to or cancellation of the ETA.

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**This ETA is cancelled effective February 2, 2009 and reissued under the 3000 series.  
See ETA 3001 for a cross-reference to the new series.**

## FLYING INSTRUCTIONS, AIRPLANE RENTALS, AND USE TAX LIABILITY

Issued July 15, 1966

Is the Use Tax applicable to a taxpayer who purchases airplanes for lease to others and also uses the same planes in giving flying instructions?

Taxpayer was engaged in the business of leasing airplanes to others, giving flying instructions, and occasionally providing air taxi service. The bulk of taxpayer's income was derived from the rental of the airplanes. The taxpayer was thus both a lessor and user of the same tangible personal property.

The Retail Sales Tax applied to the rental of airplanes by taxpayer in his capacity as lessor. The Use Tax was also held applicable to taxpayer for the use of the plane in giving flying lessons and providing pilot services. The measure of the Use Tax was the retail purchase price of the plane. The fact that the taxpayer used the plane as a consumer less than he leased it as a retailer is immaterial as the legislature provided no relief in such a situation.

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***ETBS have been made Excise Tax Advisories, and have retained their old number. Advisories with a 2 (plus three digits) are new advisories, ETBs that have been revised and readopted after review under the Department's regulatory improvement program, or advisories that have been revised and/or readopted.***

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