



NEW YORK STATE SENATOR

Charles J. Fuschillo Jr.

Senator Fuschillo Supports “Aviation Jobs Act” to Help Create Jobs and Promote Economic Development

CHARLES J. FUSCHILLO JR. May 1, 2013

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Legislation would make New York’s aviation industry more competitive with neighboring states

Senator Charles J. Fuschillo, Jr. (R-Merrick), Chairman of the Senate’s Transportation Committee, is cosponsoring legislation to help create jobs and promote economic development by making New York’s aviation industry more competitive with other neighboring states.

The “New York Aviation Jobs Act” (S273), which Senator Fuschillo is cosponsoring with Senator William Larkin (R-Cornwall on Hudson), would exempt purchases of general aviation aircraft from state sales tax. New York is one of the only states in the Northeast that still charges sales tax on general aviation aircraft purchases, hindering its efforts to attract new aircraft operators and private charter companies.

“New York has lost thousands of jobs and hundreds of millions of dollars in economic activity to neighboring states because it does not exempt aircraft purchases from sales tax. At a time when job creation and economic development are critical priorities, we cannot let that continue. Enacting this sales tax exemption would level the playing field, make New York more competitive with surrounding states, and allow us to create additional jobs and

economic development through the aviation industry,” said Senator Fuschillo.

New Jersey, Connecticut, Massachusetts, New Hampshire, and Maine all exempt the sale of general aviation aircraft from sales tax. As a result, many companies are purchasing and basing aircraft in one of these nearby states because it is substantially cheaper and close enough to serve the New York market.

This added expense is one reason that New York has lost nearly 700 income-generating aircraft to other states since 2002, according to the New York Aviation Management Association. These losses have serious economic consequences; each business jet means an average of five direct airport jobs and \$1 million in annual economic activity for the state in which it is located.

In a memo of “strong support,” the New York Aviation Management Association noted that the legislation is needed “in order to re-establish New York’s competitiveness with other states, sustain and create quality jobs, and maintain aviation’s contribution to the state’s economy.”