

Sec. 151.328. AIRCRAFT. (a) Aircraft are exempted from the taxes imposed by this chapter if:

- (1) sold to a person using the aircraft as a certificated or licensed carrier of persons or property;
- (2) sold to a person who:
 - (A) has a sales tax permit issued under this chapter; and
 - (B) uses the aircraft for the purpose of providing flight instruction that is:
 - (i) recognized by the Federal Aviation Administration;
 - (ii) under the direct or general supervision of a flight instructor certified by the Federal Aviation Administration; and
 - (iii) designed to lead to a pilot certificate or rating issued by the Federal Aviation Administration or otherwise required by a rule or regulation of the Federal Aviation Administration;
- (3) sold to a foreign government;
- (4) sold in this state to a person for use and registration in another state or nation before any use in this state other than flight training in the aircraft and the transportation of the aircraft out of this state; or
- (5) sold in this state to a person for use exclusively in connection with an agricultural use, as defined by Section [23.51](#), and used for:
 - (A) predator control;
 - (B) wildlife or livestock capture;
 - (C) wildlife or livestock surveys;
 - (D) census counts of wildlife or livestock;
 - (E) animal or plant health inspection services; or
 - (F) crop dusting, pollination, or seeding.

(b) Repair, remodeling, and maintenance services to aircraft, including an engine or other component part of aircraft, operated by a person described by Subsection (a)(1), (a)(2), or (a)(5) are exempted from the taxes imposed by this chapter.

(c) In this section, "aircraft" does not include a rocket or missile, but does include:

- (1) a fixed wing, heavier-than-air craft that is driven by propeller or jet and supported by the dynamic reaction of the air against its wings;
- (2) a helicopter; and
- (3) an airplane flight simulation training device approved by the Federal Aviation Administration under Appendices A and B, 14 C.F.R.

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(d) Machinery, tools, supplies, and equipment used or consumed exclusively in the repair, remodeling, or maintenance of aircraft, aircraft engines, or aircraft component parts by or on behalf of a person described by Subsection (a)(1) or (a)(2) are exempted from the taxes imposed by this chapter.

(e) Tangible personal property that is permanently affixed or attached as a component part of an aircraft owned or operated by a person described by Subsection (a)(1) or (a)(2), or that is necessary for the normal operations of the aircraft and is pumped, poured, or otherwise placed in the aircraft, is exempted from the taxes imposed by this chapter.

(f) To qualify for the exemption provided under Subsection (a)(4), the person purchasing the aircraft in this state must sign at the time of purchase an exemption certificate that:

(1) is designated as an exemption certificate for the purchase of an aircraft for out-of-state registration and use;

(2) is on a form designated by the comptroller;

(3) contains all information the comptroller considers reasonable;

(4) is signed by the purchaser at the time of the purchase; and

(5) provides that purchaser, by signing the certificate, authorizes the comptroller to provide a copy of the certificate to the state or nation of intended use and registration.

(g) A person commits an offense if the person gives an exemption certificate required under Subsection (f) to a seller for an aircraft that the person knows, at the time of purchase, will be used in a manner other than that expressed in the exemption certificate or the person gives an exemption certificate with fraudulent intent or intent to evade wrongfully the payment of the tax imposed under this chapter. An offense under this subsection is a misdemeanor punishable by a fine not to exceed \$500.

(h) For purposes of the exemption under Subsection (a)(5), an aircraft is considered to be for use exclusively in connection with an agricultural use if 95 percent of the use of the aircraft is for a purpose described by Subsections (a)(5)(A)-(F). Travel of less than 30 miles each way to a location to perform a service described by Subsections (a)(5)(A)-(F) does not disqualify an aircraft from the exemption under Subsection (a)(5). A person who claims an exemption

under Subsection (a)(5) must maintain and make available to the comptroller flight records for all uses of the aircraft.

Acts 1981, 67th Leg., p. 1567, ch. 389, Sec. 1, eff. Jan. 1, 1982.
Amended by Acts 1984, 68th Leg., 2nd C.S., ch. 31, art. 14, Sec. 1, eff. Oct. 2, 1984; Acts 1989, 71st Leg., ch. 231, Sec. 6, eff. Sept. 1, 1989; Acts 1993, 73rd Leg., ch. 587, Sec. 15, eff. Oct. 1, 1993; Acts 1995, 74th Leg., ch. 147, Sec. 1, eff. July 1, 1995.

Amended by:

Acts 2007, 80th Leg., R.S., Ch. 1266 (H.B. [3319](#)), Sec. 9, eff. September 1, 2007.

Acts 2009, 81st Leg., R.S., Ch. 1373 (S.B. [958](#)), Sec. 2, eff. September 1, 2009.

Sec. 151.329. CERTAIN SHIPS AND SHIP EQUIPMENT. The following items are exempted from the taxes imposed by this chapter:

(1) materials, equipment, and machinery that enter into and become component parts of a ship or vessel that is of eight or more tons displacement and is:

(A) used exclusively and directly in a commercial enterprise, including commercial fishing; or

(B) used commercially as a vessel for pleasure fishing by individuals as paying passengers on the vessel;

(2) a ship or vessel of eight or more tons displacement, that is used exclusively and directly in a commercial enterprise and is sold by the vessel's builder;

(3) materials and labor used in repairing, renovating, or converting a ship or vessel that is of eight or more tons displacement and that is used exclusively and directly in a commercial enterprise;

(4) materials and supplies purchased by the owner or operator of a ship or vessel operating exclusively in foreign or interstate coastal commerce if the materials and supplies:

(A) are loaded on the ship or vessel and used in the maintenance and operation of the ship or vessel; or

(B) enter into and become component parts of the ship or vessel; and

(5) materials and supplies purchased by a person providing stevedoring services for a ship or vessel operating exclusively in foreign or interstate coastal commerce if the materials and supplies are loaded aboard the ship or vessel and are not removed before the departure