

113TH CONGRESS
2D SESSION

S. 2775

To amend the Internal Revenue Code of 1986 to exempt aircraft management services from the ticket tax.

IN THE SENATE OF THE UNITED STATES

AUGUST 1, 2014

Mr. BROWN (for himself and Mr. PORTMAN) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To amend the Internal Revenue Code of 1986 to exempt aircraft management services from the ticket tax.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. EXEMPTION FROM TICKET TAX FOR AIRCRAFT**

4 **MANAGEMENT SERVICES.**

5 (a) IN GENERAL.—Section 4261 of the Internal Rev-
6 enue Code of 1986 is amended by redesignating subsection
7 (k) as subsection (l) and by inserting after subsection (j)
8 the following new subsection:

9 “(k) EXEMPTION FOR AIRCRAFT MANAGEMENT
10 SERVICES.—

1 “(1) IN GENERAL.—The tax imposed by this
2 section or section 4271 shall not apply to the provi-
3 sion of aircraft management services for flights
4 under the aviation safety regulations of part 91 of
5 title 14, Code of Federal Regulations.

6 “(2) EXCEPTION.—Paragraph (1) shall not ex-
7 empt flights for the transportation of persons under
8 the aviation safety regulations of part 135 of title
9 14, Code of Federal Regulations.

10 “(3) AIRCRAFT MANAGEMENT SERVICES.—For
11 purposes of paragraph (1), the term ‘aircraft man-
12 agement services’ means scheduling, flight planning,
13 weather forecasting, and operation of flights; obtain-
14 ing insurance; maintenance, storage and fueling of
15 aircraft; hiring, training and provision of pilots and
16 crew; establishing and complying with safety stand-
17 ards; and such other services necessary to support
18 flights.”.

19 (b) EFFECTIVE DATE.—The amendment made by
20 this section shall apply to transportation beginning after
21 the date of the enactment of this Act.

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