

**NORTH CAROLINA GENERAL ASSEMBLY
LEGISLATIVE FISCAL NOTE**

BILL NUMBER: House Bill 1158
SHORT TITLE: Reduce Property Tax for Antique Airplanes
SPONSOR(S): Representatives Hunter and Yongue

	FISCAL IMPACT				
	Yes (X)	No ()	No Estimate Available ()		
	<u>FY 1997-98</u>	<u>FY 1998-99</u>	<u>FY 1999-00</u>	<u>FY 2000-01</u>	<u>FY 2001-02</u>
REVENUES					
Local	Annual loss (\$80,000) to (\$61,800)				
PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED:	Local units of government that levy a property tax				
EFFECTIVE DATE:	Taxable years beginning on or after July 1, 1998				

BILL SUMMARY: The proposed act defines antique aircraft and establishes a maximum property value on aircraft that meet the definition. The maximum assessed value that can be placed on this type of property for property taxation is \$5,000.

ASSUMPTIONS AND METHODOLOGY: In North Carolina there are approximately 600 aircraft that meet the definition of antique aircraft outlined in the bill. The estimated value of this property is \$12.8 million dollars. Using an average tax rate of 64 cent per \$100.00 in value, the property tax due in fiscal year 1997-98 is approximately \$81,000. If the maximum value that can be placed on these 600 aircraft is \$5,000, then the tax due for fiscal year 1997-98 is \$19,200. The difference is \$61,800.

The estimate is given in a range because some of the aircraft registered in the State could be valued greater than, as well as less than, the actual listing on the property tax rolls. The values, used in determining the aircraft registered in the State, are derived from aviation trade publications used nationwide to value aircraft property where ever located.

Data Source:

Air-Pack is an aviation publication company in Edmond Oklahoma that records historic aircraft registered throughout the country.

FISCAL RESEARCH DIVISION
PREPARED BY: Warren Plonk
APPROVED BY: Tom Covington
DATE: y 13, 1997

Official
Fiscal Research Division
Publication



Signed Copy Located in the NCGA Principal Clerk's Offices