

Senator Wayne A. Harper proposes the following substitute bill:

AVIATION AMENDMENTS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Kay J. Christofferson

LONG TITLE

General Description:

This bill modifies the Aeronautics Act by amending provisions relating to aircraft registration.

Highlighted Provisions:

This bill:

- ▶ specifies when an aircraft registration is due;
- ▶ requires the Operations Division of the Department of Transportation to conduct compliance audits and inspections as needed to enforce state laws relating to the registration of aircraft;
- ▶ requires the Operations Division to coordinate with airport operators to determine and verify accurate reporting of aircraft that are based within the state for the purpose of administering and enforcing state aircraft registration laws;
- ▶ specifies additional penalties for operating an aircraft that is not registered;
- ▶ grants the Operations Division rulemaking authority to establish procedures for the administration and enforcement of state aircraft registration laws; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None



26 **Other Special Clauses:**

27 None

28 **Utah Code Sections Affected:**

29 AMENDS:

30 **72-10-110**, as last amended by Laws of Utah 2015, Chapter 35

31 **72-10-112**, as renumbered and amended by Laws of Utah 1998, Chapter 270



33 *Be it enacted by the Legislature of the state of Utah:*

34 Section 1. Section **72-10-110** is amended to read:

35 **72-10-110. Aircraft registration information requirements -- Registration fee --**
36 **Administration -- Partial year registration.**

37 (1) All applications for aircraft registration shall contain:

38 (a) a description of the aircraft, including:

39 (i) the manufacturer or builder;

40 (ii) the aircraft registration number, type, year of manufacture, or if an experimental
41 aircraft, the year the aircraft was completed and certified for air worthiness by an inspector of
42 the Federal Aviation Administration; and

43 (iii) gross weight;

44 (b) the name and address of the owner of the aircraft; and

45 (c) where the aircraft is located, or the address where the aircraft is usually used or
46 based.

47 (2) (a) Except as provided in Subsection (3), at the time application is made for
48 registration or renewal of registration of an aircraft under this chapter, an annual registration
49 fee of 0.4% of the average wholesale value of the aircraft shall be paid.

50 (b) For purposes of calculating the value of the aircraft under Subsection (2)(a) or
51 (3)(d), the Tax Commission shall use the average wholesale value as stated in the Aircraft
52 Bluebook Price Digest.

53 (3) (a) An annual registration fee of \$100 is imposed on the following aircraft:

54 (i) an aircraft not listed in the Aircraft Bluebook Price Digest;

55 (ii) an experimental aircraft; or

56 (iii) an aircraft that is used:

57 (A) exclusively by an entity that is exempt from federal income taxation under Section
58 501(c)(3), Internal Revenue Code, and exempt from property taxation under Title 59, Chapter
59 2, Property Tax Act; and

60 (B) for the emergency transportation of medical patients for at least 95% of its flight
61 time.

62 (b) An annual registration fee is imposed on an aircraft 50 years or older equal to the
63 lesser of:

64 (i) \$100; or

65 (ii) the annual registration fee provided for under Subsection (2)(a).

66 (c) An aircraft that does not have a valid airworthiness certificate for a period of six
67 months or more:

68 (i) may not apply for a certificate of registration required under Section 72-10-109; and

69 (ii) is exempt from an annual registration fee until the aircraft has a valid airworthiness
70 certificate.

71 (d) An annual registration fee of .25% of the average wholesale value of the aircraft is
72 imposed on an aircraft if the aircraft is:

73 (i) used by an air charter service for air charter; and

74 (ii) owned by a person other than the air charter service.

75 (e) The annual registration fee required in this section is due on December 31 of each
76 year.

77 (4) (a) The Tax Commission shall provide a registration card to an owner of an aircraft
78 if:

79 (i) the owner complies with the registration requirements of this section; and

80 (ii) the owner of the aircraft states that the aircraft has a valid airworthiness certificate.

81 (b) An owner of an aircraft shall carry the registration card in the registered aircraft.

82 (5) The registration fees assessed under this chapter shall be collected by the Tax
83 Commission to be distributed as provided in Subsection (6).

84 (6) After deducting the costs of administering all aircraft registrations under this
85 chapter, the Tax Commission shall deposit all remaining aircraft registration fees in the
86 Aeronautics Restricted Account created by Section 72-2-126.

87 (7) Aircraft which are registered under this chapter for less than a full calendar year

88 shall be charged a registration fee which is reduced in proportion to the fraction of the calendar
89 year during which the aircraft is registered in this state.

90 (8) (a) The Utah Division of Aeronautics shall maintain a statewide database of all
91 aircraft based within the state.

92 (b) On or before October 1 of each year, the Utah Division of Aeronautics shall
93 provide the Tax Commission with the data the Tax Commission requires from the database
94 described in Subsection (8)(a).

95 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
96 commission may by rule define the contents of the database described in Subsection (8)(a).

97 (d) The Tax Commission shall annually provide the Utah Division of Aeronautics a list
98 of all aircraft registered in this state.

99 (9) The Tax Commission may suspend or revoke a registration if it determines that the
100 required fee has not been paid and the fee is not paid upon reasonable notice and demand.

101 Section 2. Section 72-10-112 is amended to read:

102 **72-10-112. Failure to register -- Penalty -- Compliance audits and inspections --**
103 **Rulemaking.**

104 (1) Failure to register any aircraft required to be registered with the state in the county
105 in which the aircraft is located subjects the owners of the aircraft to the same penalties
106 provided for motor vehicles under Sections 41-1a-1101, 41-1a-1301, and 41-1a-1307.

107 (2) (a) The division shall conduct compliance audits and inspections as needed to
108 enforce state laws related to the registration of aircraft.

109 (b) The division shall coordinate with airport operators to determine and verify
110 accurate reporting of aircraft that are based within the state for the purpose of administering
111 and enforcing state aircraft registration laws.

112 (3) (a) In addition to the penalties described in Subsection (1), the division may impose
113 a fine of 10% of the registration fee for the first month and 5% of the registration fee for each
114 subsequent month an aircraft is operated in violation of Section 72-10-109.

115 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
116 division shall makes rules establishing procedures for the enforcement of state aircraft
117 registration laws and the administration of penalties described in this section.

118 (c) The division shall comply with the procedures and requirements of Title 63G,

119 Chapter 4, Administrative Procedures Act, in all adjudicative proceedings conducted for the
120 enforcement of penalties under this section.