

FIRST REGULAR SESSION

HOUSE BILL NO. 1018

95TH GENERAL ASSEMBLY

INTRODUCED BY REPRESENTATIVES KOMO (Sponsor), FLOOK, CARTER,
HUMMEL AND DIEHL (Co-sponsors).

2302L.011

D. ADAM CRUMBLISS, Chief Clerk

AN ACT

To amend chapter 144, RSMo, by adding thereto one new section relating to a sales tax exemption for aviation jet fuel consumed on transoceanic flights.

Be it enacted by the General Assembly of the state of Missouri, as follows:

Section A. Chapter 144, RSMo, is amended by adding thereto one new section, to be
2 known as section 144.806, to read as follows:

144.806. 1. As used in this section, the following terms mean:

2 **(1) "Immediate consumption or shipment", the delivery of the aviation jet fuel by**
3 **the seller is made directly to an aircraft for consumption or transportation on a**
4 **transoceanic flight and not for storage by the purchaser or any third party;**

5 **(2) "Transoceanic flight", a flight destined for or continuing from a location**
6 **situated on the other side of the Atlantic or Pacific ocean.**

7 **2. In addition to the exemptions granted under section 144.030, there shall also be**
8 **specifically exempted from the provisions of sections 144.010 to 144.525, sections 144.600**
9 **to 144.748, section 144.805, and section 238.235, RSMo, and the provisions of any local**
10 **sales tax law, as defined in section 32.085, RSMo, and from the computation of the tax**
11 **levied, assessed, or payable under sections 144.010 to 144.525, sections 144.600 to 144.748,**
12 **and section 238.235, RSMo, and the provisions of any local sales tax law, as defined in**
13 **section 32.085, RSMo, all aviation jet fuel sold to an air common carrier for immediate**
14 **consumption or shipment in the conduct of its business as an air common carrier or**
15 **affiliate carrier, on a transoceanic flight.**

EXPLANATION — Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted from the law. Matter in **bold-face** type in the above bill is proposed language.

16 **3. To qualify for the exemption authorized in this section, the air common carrier**
17 **shall furnish to the seller a certificate in writing to the effect that an exemption under this**
18 **section is applicable to the aviation jet fuel so purchased, stored, used, and consumed.**

19 **4. For purposes of determining eligibility for the state sales and use tax exemption**
20 **on aviation jet fuel provided under section 144.805, sales of such fuel for transoceanic**
21 **flights exempt from taxation under this section shall be treated as though subject to sales**
22 **tax, and such tax shall be deemed paid for purposes of calculating the maximum aggregate**
23 **calendar year amount of state sales and use tax required for the exemption provided under**
24 **section 144.805. However, no state sales or use tax liability shall accrue for purchases of**
25 **fuel exempted under this section.**

26 **5. The director of revenue shall promulgate rules to implement the provisions of**
27 **this section. Any rule or portion of a rule, as that term is defined in section 536.010, RSMo,**
28 **that is created under the authority delegated in this section shall become effective only if**
29 **it complies with and is subject to all of the provisions of chapter 536, RSMo, and, if**
30 **applicable, section 536.028, RSMo. This section and chapter 536, RSMo, are nonseverable**
31 **and if any of the powers vested with the general assembly under chapter 536, RSMo, to**
32 **review, to delay the effective date, or to disapprove and annul a rule are subsequently held**
33 **unconstitutional, then the grant of rulemaking authority and any rule proposed or adopted**
34 **after August 28, 2009, shall be invalid and void.**

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