

The exemption for materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft as part of the modification, refurbishment, completion, replacement, repair, or maintenance of the aircraft sunset on December 31, 2014 by operation of law pursuant to the sunset provisions of Section 2-70 of the Retailers' Occupation Tax Act [35 ILCS 2-70]. See 86 Ill. Adm. Code 130.120(rr). (This is a GIL.)

November 21, 2018

RE: Clarification re 35 ILCS 105/3-5(35)

Dear Xxxxx:

This letter is in response to your letter, in which you requested information. The Department issues two types of letter rulings. Private Letter Rulings ("PLRs") are issued by the Department in response to specific taxpayer inquiries concerning the application of a tax statute or rule to a particular fact situation. A PLR is binding on the Department, but only as to the taxpayer who is the subject of the request for ruling and only to the extent the facts recited in the PLR are correct and complete. Persons seeking PLRs must comply with the procedures for PLRs found in the Department's regulations at 2 Ill. Adm. Code 1200.110. The purpose of a General Information Letter ("GIL") is to direct taxpayers to Department regulations or other sources of information regarding the topic about which they have inquired. A GIL is not a statement of Department policy and is not binding on the Department. See 2 Ill. Adm. Code 1200.120. You may access our website at [www.tax.illinois.gov](http://www.tax.illinois.gov) to review regulations, letter rulings and other types of information relevant to your inquiry.

The nature of your inquiry and the information you have provided require that we respond with a GIL. In your letter you have stated and made inquiry as follows:

Our office is in need of your assistance to determine whether or not aircraft repairs and maintenance performed by a Class IV Part 145 of the Federal Aviation Regulations (FAR) maintenance facility are Illinois sales tax exempt.

The Illinois statute (35 ILCS 105/3-5(35)) makes no mention of the aircraft needing repair services having to be a Class IV type of aircraft (all metal construction, over 12,500 lbs. gross weight); only that the maintenance facility be a Class IV FAR Part 145 facility. Our specific question is whether or not maintenance work performed by a Class IV FAR Part 145 facility on any aircraft, whether or not over 12,500 lbs., is Illinois sales tax exempt (other than engine work and aircraft specifically excluded per the statute below).

35 ILCS 105/3-5(35) beginning January 1, 2010, materials, parts, equipment, components, and furnishings incorporated into or upon an aircraft as part of the modification, refurbishment, completion, replacement, repair, or maintenance of the aircraft. This exemption includes consumable supplies used in the modification, refurbishment, completion, replacement, repair, and maintenance of aircraft, but

excludes any materials, parts, equipment, components, and consumable supplies used in the modification, replacement, repair and maintenance of aircraft engines or power plants, whether such engines or power plants are installed on or uninstalled upon any such aircraft. "Consumable supplies" include, but are not limited to, adhesive, tape, sandpaper, general purpose lubricants, cleaning solution, latex gloves, and protective films. **This exemption applies only to the use of qualifying tangible personal property by persons who modify, refurbish, complete, repair, replace, or maintain aircraft and who (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, (ii) have a Class IV Rating, and (iii) conduct operations in accordance with Part 145 of the Federal Aviation Regulations.** The exemption does not include aircraft operated by a commercial air carrier providing scheduled passenger air service pursuant to authority issued under Part 121 or Part 129 of the Federal Aviation regulations. The changes made to this paragraph (35) by Public Act 98-534 are declarative of existing law.

Thank you in advance for your assistance. If you should have any questions, please do not hesitate to contact me. I may be reached at 630-488-4002.

**DEPARTMENT'S RESPONSE:**

The exemption you asked about in your letter was subject to the sunset provisions of Section 2-70 of the Retailers' Occupation Tax Act and sunset on December 31, 2014 by operation of law and, thus, is no longer available.

I hope this information is helpful. If you require additional information, please visit our website at [www.tax.illinois.gov](http://www.tax.illinois.gov) or contact the Department's Taxpayer Information Division at (217) 782-3336.

Very truly yours,

Debra M. Boggess  
Associate Counsel

DMB:bkI