



Aviation Industry Incentives & Requirements

Abatement Details

- Personal Property Tax on tangible property may be abated up to 50% for 20 years
- Sales & Use Tax may be abated to 2% for 20 years
 - Eligible Goods: Abatement is for tangible personal property used to operate, manufacture, service, maintain, test, repair, overhaul or assemble an aircraft, or any component of an aircraft. It also applies to personal property tax imposed on an aircraft and the personal property used to own, operate, manufacture, service, maintain, repair, etc.
 - *Sales & Use Tax abatement excludes aircraft purchase*

Qualifications of Business

- Eligible aircraft, based on FAA regulations
 - Noncommercial carriers, non-regularly scheduled aircraft; i.e., tour operators, on-demand cargo and on-demand passenger types operating under FAA Part 125 & 135
 - Part 125 (20 or more seats, 6,000 lbs or more payload capacity)
 - Part 135 (under 20 seats and 6,000 lbs payload)
 - *FAA Part 121, commercial aircraft, are **not** eligible*
- If new business, must have 5 FTE employees on payroll within 1 year
- If existing business, must add minimum of 3 FTE employees, or increase workforce by 3% of existing in-state staff, whichever is greater, within 1 year of abatement award
- Capital investment (tangible property) of \$250,000 within 1 year of award of abatement
- Must pay at least 100% of State average wage and provide a medical insurance plan for all employees with employer paying at least 50% of employee premium
- Must stay in business in Nevada for minimum of 5 years after award of abatement
- Audits will be performed by Department of Taxation beginning in years 2 and 5 after award of abatement to ensure compliance

Note: *While businesses must provide certain financial information to GOED when they apply for the abatement, Nevada law allows confidentiality of the records. Upon request of the applicant, proprietary information may remain confidential.*



Abatement Application Contacts

Contact your local Regional Development Authority to pursue an application for the aviation tax abatements.

- In **Southern Nevada**, contact Las Vegas Global Economic Alliance (LVGEA):

Morgan Bunker, VP, Community & Economic Development

Phone: 702-791-0000

Email: morganb@lvgea.org

- In **Northern Nevada**, contact Economic Development Authority of Western Nevada (EDAWN):

Stan Thomas, EVP, Marketing & Competitive Expansion

Phone: 775-829-3731

Email: stthomas@edawn.org

- **GOED Contact:**

Wendy Pope, Business Development

Nevada Governor's Office of Economic Development

555 E. Washington Avenue, Suite 5400

Las Vegas, NV 89101

Main Line: (702) 486-2700

Direct Line: (702) 486-2702

Fax Line: (702) 486-2701

wpope@diversifynevada.com

DiversifyNevada.com

- **GOED Meeting locations:**

Main Location:

Nevada State Capitol

The Guinn Room

101 S. Carson Street

Carson City, NV

Via Video Conference:

Grant Sawyer Building

Governor's Office

555 E. Washington Ave., Ste 5100

Las Vegas, NV

This is a summary only and may not include all program requirements. The information herein is for informational purposes only and is not intended as legal or tax advice.

For full language of AB161 and detailed information on this abatement, please access:

www.leg.state.nv.us/App/NELIS/REL/78th2015/Bill/1509/Text