

1 AN ACT

2 relating to the appraisal for ad valorem tax purposes of certain
3 commercial aircraft that are temporarily located in this state for
4 manufacturing or assembly purposes.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

6 SECTION 1. Subchapter B, Chapter 23, Tax Code, is amended by
7 adding Section 23.1211 to read as follows:

8 Sec. 23.1211. TEMPORARY PRODUCTION AIRCRAFT; VALUE. (a)

9 In this section:

10 (1) "List price" means the value of an aircraft as
11 listed in the most recent edition of the International Bureau of
12 Aviation Aircraft Values Book.

13 (2) "Maximum takeoff weight" means the maximum takeoff
14 weight listed in the aircraft's type certificate data sheet for the
15 lowest rated configuration or, if the aircraft does not have a type
16 certificate data sheet, the maximum takeoff weight target as
17 published by the aircraft's manufacturer.

18 (3) "Temporary production aircraft" means an
19 aircraft:

20 (A) that is a transport category aircraft as
21 defined by federal aviation regulations;

22 (B) for which a Federal Aviation Administration
23 special airworthiness certificate has been issued;

24 (C) that is operated under a Federal Aviation

1 Administration special flight permit;

2 (D) that has a maximum takeoff weight of at least
3 145,000 pounds; and

4 (E) that is temporarily located in this state for
5 purposes of manufacture or assembly.

6 (b) The chief appraiser shall determine the appraised value
7 of temporary production aircraft to be 10 percent of the aircraft's
8 list price as of January 1.

9 (c) The legislature finds that there is a lack of
10 information that reliably establishes the market value of temporary
11 production aircraft. Accordingly, the legislature has enacted this
12 section to specify the method to be used in determining the
13 appraised value of such aircraft.

14 SECTION 2. The change in law made by Section 23.1211, Tax
15 Code, as added by this Act, applies only to ad valorem taxes imposed
16 for a tax year beginning on or after January 1, 2012.

17 SECTION 3. This Act takes effect September 1, 2011.

President of the Senate

Speaker of the House

I certify that H.B. No. 3727 was passed by the House on May 10, 2011, by the following vote: Yeas 143, Nays 0, 2 present, not voting; and that the House concurred in Senate amendments to H.B. No. 3727 on May 24, 2011, by the following vote: Yeas 143, Nays 0, 2 present, not voting.

Chief Clerk of the House

I certify that H.B. No. 3727 was passed by the Senate, with amendments, on May 21, 2011, by the following vote: Yeas 31, Nays 0.

Secretary of the Senate

APPROVED: _____

Date

Governor