

1-1 By: Hilderbran, Martinez Fischer H.B. No. 3727  
1-2 (Senate Sponsor - Uresti)  
1-3 (In the Senate - Received from the House May 11, 2011;  
1-4 May 11, 2011, read first time and referred to Committee on Finance;  
1-5 May 17, 2011, reported favorably by the following vote: Yeas 14,  
1-6 Nays 0; May 17, 2011, sent to printer.)

1-7 A BILL TO BE ENTITLED  
1-8 AN ACT

1-9 relating to the appraisal for ad valorem tax purposes of certain  
1-10 commercial aircraft that are temporarily located in this state for  
1-11 manufacturing or assembly purposes.

1-12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-13 SECTION 1. Subchapter B, Chapter 23, Tax Code, is amended by  
1-14 adding Section 23.1211 to read as follows:

1-15 Sec. 23.1211. TEMPORARY PRODUCTION AIRCRAFT; VALUE.

1-16 (a) In this section:

1-17 (1) "List price" means the value of an aircraft as  
1-18 listed in the most recent edition of the International Bureau of  
1-19 Aviation Aircraft Values Book.

1-20 (2) "Maximum takeoff weight" means the maximum takeoff  
1-21 weight listed in the aircraft's type certificate data sheet for the  
1-22 lowest rated configuration or, if the aircraft does not have a type  
1-23 certificate data sheet, the maximum takeoff weight target as  
1-24 published by the aircraft's manufacturer.

1-25 (3) "Temporary production aircraft" means an  
1-26 aircraft:

1-27 (A) that is a transport category aircraft as  
1-28 defined by federal aviation regulations;

1-29 (B) for which a Federal Aviation Administration  
1-30 special airworthiness certificate has been issued;

1-31 (C) that is operated under a Federal Aviation  
1-32 Administration special flight permit;

1-33 (D) that has a maximum takeoff weight of at least  
1-34 145,000 pounds; and

1-35 (E) that is temporarily located in this state for  
1-36 purposes of manufacture or assembly.

1-37 (b) The chief appraiser shall determine the appraised value  
1-38 of temporary production aircraft to be 10 percent of the aircraft's  
1-39 list price as of January 1.

1-40 SECTION 2. The change in law made by Section 23.1211, Tax  
1-41 Code, as added by this Act, applies only to ad valorem taxes imposed  
1-42 for a tax year beginning on or after January 1, 2012.

1-43 SECTION 3. This Act takes effect September 1, 2011.

1-44 \* \* \* \* \*