

Illinois Aviation Trades Association January 2011 News Update

IATA 2011 Board of Directors

The following people were elected to the IATA Board of Directors. On behalf of the entire Illinois general aviation community we thank them for their leadership.

President – Skip Barchfeld - Schaumburg

Vice President – Mike Menard - Springfield

Sec/Treasurer – Gene Stage - Peoria

3yr Director – Tom Frasca - Champaign

3yr Director – Gene Stage - Peoria

3yr Director – Mike Menard - Springfield

3yr Director – Phillip Wolford - Galesburg

IATA also extends its appreciation to the board members whose terms have not expired:

Andy Priester - Wheeling

Mike Mueller - Cahokia

John DeJoris - Wheeling

IATA Issues Voluntary Assessment



The Illinois Aviation Trades Association (IATA) would like to put forth a legislative initiative to make parts on engine-related worksopes exempt from sales tax in Illinois. Illinois is an excellent destination for servicing aircraft engines but currently is at a competitive disadvantage compared to companies in other states where this tax has been repealed.

Proposed language to amend PA 96-0759 includes the following:

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, SB0450 Enrolled LRB096 06568 RCE 16652 b Public Act 096-0759 repair, and maintenance of aircraft,

Illinois Aviation Trades Association

IATA was founded on the simple principle to be a single source for industry education, peer to peer networking and statewide legislative representation for the many partners of general aviation.

For more information call the IATA office at: 217-528-5230.



Illinois Aviation Conf. 2011



Next year's Illinois Aviation Conference will be held **May 24-25 in Springfield, IL at the President Abraham Lincoln Hotel. (This hotel just underwent a massive \$15 million dollar renovation and it is beautiful.**

Plan now to come to Abe's hometown and take in all that Springfield has to offer while attending the conference. Our "hangar" party will be held at StandardAero, one of the largest independent MRO and aviation service businesses in the world. **Save the Date!**

~~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 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 those organizations that (i) hold an Air Agency Certificate and are empowered to operate an approved repair station by the Federal Aviation Administration, , or (ii) have a Class IV Rating, or (iii) perform aircraft maintenance under an FAA valid Aircraft & Powerplant license or an FAA accredited Inspection Authorization.- 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.~~

IATA is issuing this voluntary legislative assessment to raise the needed \$10,000 to lobby for this exemption. General aviation is important to Illinois' economic development and this legislation could add to our industry's competitive ability. Even if your company does not perform significant engine work, the transient traffic generated by this potential increase in business will have a significant economic impact in all segments of Illinois' General Aviation Industry. **Please send in your support to the Illinois Aviation Trades Association. Contributions of any amount are welcome and appreciated.** The **DEADLINE** to introduce this legislation is February 10th.

Your contribution will be used exclusively for this legislative initiative not used for general operations of IATA. A \$250.00 contribution by each member achieves our goal. Thank you.

Service Tax Does Not Take Flight

SB2505 passed in the "wee" hours of the last day of the session (1:22am to be exact) increasing our State's personal and corporate income taxes, **BUT** service tax was not included! This is truly a victory for our industry, since the original tax bill included unscheduled charter service as a service to be taxed.

Now the new 97th General Assembly begins and we anticipate upwards of 5,000 new bills being introduced in the Spring session. IATA will be monitoring any movement towards re-introducing service taxes.

Tax Angles in 2011

According to a release from CPA Aviation, aircraft owners who use their aircraft as collateral for a loan may have a hidden tax issue. If your aircraft is owned by a Sub-chapter-S corporation, you may be subject to disallowance of losses which can be made worse by improper selection of financing alternatives.



At this year's **Illinois Aviation Conference (May 24-25)** in Springfield, aviation tax expert Nel Stubbs of Conklin & de Decker will be on hand to provide the latest tax "angles."

RFP for Fixed Based Operator

Southern Illinois Airport Authority, Carbondale, invites proposals from qualified firms and individuals to provide Fixed Base Operator services in airport provided facilities and with certain airport owned

equipment.

An RFP package is available electronically or by mail by contacting the airport at 618-529-1721 or airport@midwest.net. Sealed proposals will be due no later than 4pm, local time, March 1, 2011. A non-mandatory pre-proposal meeting and tour will be held on February 15, 2011 at 10 am, local time. The Airport Authority reserves the right to accept or reject any and all proposals and to waive irregularities in the process and proposals.

Aviation "Flight Checks"

Peoria International Airport is getting a \$5.4 million boost. The mix of local, state and federal funding will support ongoing work on a new terminal and other improvements. The work is expected to create 155 jobs. (The Lincoln Courier)

Tailwind bar opens at Central Illinois Regional Airport. The new Tailwind Bar and Grill opened on the second floor of the CIRA. Having food and beverage after security has long been a priority. The Hangar restaurant is located on the non-secure, or public side of the airport. (Bloomington Pantagraph)

The Rock Island County Metropolitan Airport Authority to action that will eventually bring more development to the Quad-City International Airport. The commissioners approved annexing about 60 acres of airport property into the city of Moline. Annexing the property will allow the mixed-use project to receive incentives - including tax increment financing from the City of Moline. (Davenport Quad-City Times)

New plan to ship Asian carp to China. The county Public Building Commission approved the framework of plan to turn MidAmerica St Louis Airport into a center for the export of the carp to China. Under the plan, carp caught commercial fisherman in Iowa and Illinois will be trucked to MidAmerica and shipped fresh aboard air cargo planes. (Ottawa Daily Times)

Not an IATA Member Yet?

Monthly news updates are provided as a service to members of the Illinois Aviation Trades Association. If you are not a member and wish to continue to receive this information, along with the other services of IATA, please call the IATA office in Springfield. 217-528-5230 OR log on to www.illinoisaviation.org.

Illinois Aviation Trades Association 225 E Cook St Springfield IL 62704

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