

Aviation Tax Abatement

NRS Chapter 360 .753

- Companies meeting requirements that include owning, operating, maintaining, servicing, testing, repairing, overhauling, or assembling an aircraft or any component of an aircraft may qualify for:
 - Personal Property Tax abatement of 50% of the tax due for 10 years
 - Potential Sales and Use tax Abatement to 2% on equipment and parts of an aircraft for 10 years - *Requires the Governor's Office of Economic Development Board to approve a reduction to 2% by a two-thirds vote. If this is not approved, the abatement will be reduced to 4.6%*

New companies must:

- Create 5 or more new full-time jobs within one year

In addition to the above requirements the company must meet 1 of the following criteria:

- Make a new capital investment of at least \$250,000 within 1 year
- Maintain and possess in this State tangible personal property of not less than
- \$5,000,000
- Pay an average wage of at least 100% of the statewide average wage
- The business develops, refines or owns a patent or other intellectual property, or has been issued a FAA certificate (14 CFR Part 21)

Existing companies must:

- Within 1 year Increase the number of full-time employees by 3% or 3, whichever is greater.
- In addition to the above requirements the company must meet 1 of the following criteria:
 - Make a new capital investment of at least \$250,000 within 1 year
 - Maintain and possess in this State tangible personal property of not less than
 - \$5,000,000
 - Pay an average wage of at least 100% of the statewide average wage
 - The business develops, refines or owns a patent or other intellectual property, or has been issued a FAA certificate (14 CFR Part 21)

Additional Requirements:

- Maintain the business in Nevada for 5 years
- Register pursuant to the laws of Nevada
- Offer medical insurance plan and pay at least 65% of the plan's premium costs

All abatements are voidable and recoverable with interest if the business fails to comply with any terms of the agreement. Audits will be performed by the Department of Taxation after 2 and 5 years to ensure compliance.