

FROM: THE OFFICE OF U.S. SENATOR BOB DOLE
NEW SENATE OFFICE BUILDING
WASHINGTON, D.C. 20510
(202) 225-6521

FOR IMMEDIATE RELEASE

WASHINGTON, D.C., JAN. 27, 1971 -- U.S. Senator Bob Dole today introduced a bill to provide fairer taxation for private aircraft users.

Dole said, in a statement on the Senate floor, "The Airport and Airways Development Act of 1970, imposed an aircraft use tax on all piston-engine civil aircraft. This tax requires a yearly payment of \$25 for each of these aircraft, plus 2¢ per pound for the total gross weight of each aircraft weighing over 2,500 pounds. (A subsequent law established that the 2¢ use tax be required only on total pounds above 2,500)

Dole said that even though the original law had been modified, "it still places an inordinate financial burden on the owners of small private aircraft."

Dole's bill would increase the exemption, based on certified gross weight, from 2,500 to 6,000 pounds. Dole said that he chose the 6,000 pound figure because aircraft weighing less are generally used for private business and pleasure purposes. He estimated that 115,000 to 125,000 aircraft would be exempt under his proposed legislation. The present law exempts 80,000 to 90,000.

The Kansas Senator said, "The provisions of this bill, which would become effective July 1, 1971, would not change the \$25 use tax required of each aircraft. The bill would not modify the disregarding of the first 2,500 pounds by planes above 6,000 pounds."

Dole outlined four reasons for early enactment of his bill

1) The present tax revenue is used for facilities designed to benefit larger commercial aircraft such as air traffic control which is rarely used by small aircraft. Also, only 2,400 of the nation's 10,000 airports receive any Federal investment.

2) The Federal government increased the effective gasoline tax on private aircraft by 350 per cent on July 1, 1970. In addition, local and state taxes and being increased along with increased landing and airport use fees.

3) The present use tax structure will generate a loss of sales of small aircraft, complicating current problems of the aviation industry and increasing the unemployment level.

4) The bill would help insure small aircraft use in binding together the economies of small communities and rural areas.

Dole urged speedy enactment of the legislation.