



April 28, 2025

Governor Bob Ferguson
Office of the Governor
PO Box 40002
Olympia, WA 98504-0002

Re: WA ESSB 5801 – Request Veto Part II, Sections 207 and 208 (Aircraft Luxury and Privilege Taxes)

Dear Governor Ferguson:

Pursuant to the provisions of the Washington state Constitution, Section 12 “Veto Powers”, the undersigned state and national aviation advocacy organizations respectfully **request that you veto Sections 207 and 208 of Part II, ESSB 5801** (Transportation Resources).

Collectively we represent thousands of Washington residents and are unified in our opposition to these sections which impose both luxury and “privilege” taxes on Washington state aircraft and will have devastating and crippling impacts on the Washington state aviation ecosystem writ large. Although some bill proponents may downplay the serious negative consequences these provisions will have (since Section 1408 specifies an effective date of April 1, 2026), **the mere existence of these provisions in law will have a chilling impact on our aviation system in the intervening months before the effective date.**

The assumption that because aircraft are expensive and therefore “a luxury item” reflects a grossly uninformed understanding of non-commercial aircraft contributions to our state. “Non-commercial” aircraft are tools that provide *essential* services for people of ALL classes, not just the wealthy. Allowing these damaging provisions to become law will also significantly and negatively impact our most marginalized, often rural community populations that non-commercial aircraft support every day. We urge you to veto Sections 207 and 208 of this bill as these taxes will serve only to disincentivize aircraft ownership in the state as well as hinder airports’ self-sufficiency, creating even more of a burden on Washington’s public airports and the communities that support them.

A few key points to consider:

1. History has shown that luxury taxes do more harm than good. The U.S. Omnibus Budget Reconciliation Act of 1990 imposed a 10% luxury tax on the first retail sale of certain high-value items and devastated the industries and jobs supporting manufacturing and

maintenance of planes, boats, and vehicles. Congress realized the error and quickly repealed the law.

2. The Canadian Select Luxury Items Tax Act was enacted in 2022 (and bears striking similarities to WA ESSB 5801). A November 8, 2023, article from the Aerospace Industries Association of Canada citing research from Professor Jacques Roy of HEC Montréal **revealed that more than 3,800 jobs were already at risk across Canada's aerospace sector, with 19 aircraft orders already cancelled, totaling over 1.5 billion dollars in lost revenue.**
3. All general aviation (GA) aircraft and the airports that serve them provide vital access to national and international networks, connecting people and businesses with goods and services, including healthcare. These aircraft contribute to national preparedness and serve as staging vessels during natural disasters and in times of national crisis.
 - a. Aircraft of all sizes and complexities are used for a wide range of non-profit activities aimed at transporting people and animals for healthcare, education, and adoption-related needs. Angel Flight, Patient Air Lift Services (PALS), Pilots and Paws, and Disaster Airlift Response Team (DART) are just a few examples of the many types of benefit aviation that contribute to the overall well-being of Washington residents.
4. Establishing aircraft luxury and “privilege” taxes will reduce access to these vital services as aircraft are made more expensive due to the gross misperception linking an arbitrary value as a “luxury” making these services more expensive and therefore less available, and less accessible.
5. Further, the provisions of ESSB 5801 regarding aircraft luxury and “privilege” taxes will result in:
 - a. Aircraft relocating to other states, particularly Oregon, Idaho, and Montana, all of which have more tax-friendly environments than Washington
 - b. A direct negative impact on aviation revenues as fuel and aircraft service-related revenues decline, **depriving the Washington State Department of Transportation (WSDOT) Aviation Division and the state's system of airports desperately needed revenue**
 - c. Hardships for aviation maintenance facilities and related businesses to maintain clientele as aircraft vacate Washington state, resulting in the elimination of jobs and associated economic activity
 - d. Negative impacts to Federally obligated airports in Washington – the majority of which are municipally owned – will struggle to maintain self-sufficiency, additionally burdening municipal, county, and state budgets as demand for hangars and associated tax revenue generating commerce declines, depriving airports of related revenue

Finally, it is noteworthy that no known state legislature has moved forward with taxes of this nature after fully examining the pros and cons. Taxes such as these have been tried and failed and if this bill passes, it will harm Washington aircraft owners, airports, and the Washington state aviation ecosystem as prospective aircraft owners take their business to other states.

Therefore, we the undersigned **request that you veto Sections 207 and 208 of Part II, ESSB 5801** regarding aircraft luxury and “privilege” taxes imposed on aircraft registered in Washington state.

Respectfully,

A handwritten signature in black ink, appearing to read "Darren Pleasance". The signature is fluid and cursive, with the first name "Darren" and last name "Pleasance" clearly distinguishable.

Darren Pleasance, President and CEO
Aircraft Owners and Pilots Association

///SIGNED///

Cade Clark, Chief Government Affairs Officer
Vertical Aviation International

///SIGNED///

John Dobson, President
Washington State Aviation Alliance

///SIGNED///

Lorene Robinson, President
Washington Airport Management Association

///SIGNED///

Richard Beckert, President
Washington Pilots Association

///SIGNED///

Stephen Ratzlaff, President
Washington Seaplane Pilots Association

///SIGNED///

Alan Burnett, Director of Legislative Affairs
Pacific Northwest Business Aviation Association

///SIGNED///

Stephen Ratzlaff, President
Friends of Boeing Field