

NorCal Business Aviation Newsletter: February 2013

Greetings,

I want to thank everyone for coming to our February meeting. USAIG was our sponsor and they brought with them three expert speakers who talked to us about the very real problem of Runway Excursions. I want to thank the expert speakers who presented this sobering subject to us: Paul S. Ratté; Christopher J. Stickney and Gary Cooke. We appreciate USAIG for generously sponsoring our February meeting. A link to their webpage here: <https://www.usau.com/>

March 2013

Our next meeting is scheduled for March 12th at 11:30 a.m. and will be held at Michaels in Mountain View. Our sponsor for the meeting is **Aero Law Group** and our speakers will be two experienced aviation attorneys and members of the NCBA, Kevin Austin and Nate Pietila. Mr. Austin founded Aero Law Group in 2000 after an extensive career with Cooley LLP in Palo Alto, CA, and The Boeing Company in Seattle, WA. Kevin received his J.D. from Stanford Law School and is a member of the state bars of California, Washington and Colorado (inactive). Mr. Pietila joined Aero Law Group in 2005 and represents clients in the purchase, sale, lease, financing, structuring and tax-free exchange of business aircraft. Nate is a member of the State Bar of California, the Washington State Bar Association and is an FAA-certified commercial pilot. Please visit our website for more information on our friends at Aero Law Group. <http://www.norcalbaa.org/>

The discussion will cover **Business Aircraft Tax and FAA Issues**. The format for the meeting will be in two parts, **Part I** will be a general presentation covering:

- The (limited) benefits of bonus depreciation
- Risk of federal excise tax on third-party management companies
- FAA sole purpose company issues and Part 91 reimbursement
- When can we deduct our aircraft?

Part II Breakout Session after the formal meeting:

- Details about bonus depreciation and Section 179 expensing
- What actions are companies taking to avoid federal excise tax on management companies? (audience participation)
- What are companies seeing in IRS audits? (audience participation)
- Deducting business use of aircraft:
 - Ordinary and necessary test
 - Personal use and imputed income (SIFL)
 - Entertainment use disallowance

April 2013

Our April 9th meeting is sponsored by **Aero & Marine Tax Professionals**. Our speaker will be Mr. Tom Alston, CEO of Aero & Marine Tax Professionals. Tom will talk to us about two major areas regarding California sales tax. Tom has written several California Sales and Use Tax articles for many publications. Mr. Alston's new book titled "**Legally Avoiding Tax on Your Next Purchase of an Aircraft or Vessel**" will be available this spring. Aero & Marine Tax Professionals works in the highly specialized area of California Sales Tax Law. That is all they do and they provide a professional, highly specialized focus on this one aspect of law. For more information on Aero &

Marine Tax Professional, a Sacramento-area company, please refer to their website for more details and contact information. <http://www.aeromarinetaxpros.com/>

Here is some of what Mr. Alston will talk about:

The State of California is attempting to levy tax on all out of state (outside California) registered aircraft with its new focus on collections and enforcement. Mr. Alston will give an update on programs at the Board of Equalization. Next, Mr. Alston will explain the methods of supporting a claim for an exemption from tax.

May 2013 Safety Day

Our May 2nd Safety Day is fast approaching and if you liked what we did last year, you will love what is planned in 2013! Our friends at Global Aerospace will team up with us once again and this time we bring you the talented and charismatic Dr. Tony Kern to discuss "Professionalism". Our Safety Day will be held at the Saint Claire Hotel in beautiful downtown San Jose.

<http://www.thesainteclair.com/>

We also plan to award our 2013 NCBAA scholarship to a deserving candidate. More details about Global Aerospace and SM4 here: <http://sm4.global-aero.com/articles/sacred-ground-walking-the-path-of-potential/>

Something to think about before the Safety Day:

Professionalism seems like a fairly straightforward, commonly understood term, but it has proven to be anything but. Unprofessional behaviors and attitudes act as fulcrums that leverage the performance of entire aviation systems. Not too long ago, the NTSB added "Pilot and Air Traffic Control Unprofessionalism" to their Ten Most Wanted list of industry safety improvements. They state that labor, management, industry, associations, and government each have a role to play in fostering professionalism. Dr. Tony Kern and his team at Convergent Performance have spent time putting together a set of observable, trainable and measureable set of knowledge and skill sets to drive improvement in all settings. Prepare to be challenged to be better than you have settled for.

NCBAA Advocacy

\$5000 NCBAA Scholarship Promotion

The opportunity to obtain a NCBAA scholarship award of up to \$5000 is in full swing to Northern California colleges and military personnel who wish to pursue a career in Business Aviation. Please download the application at: http://www.norcalbaa.org/Mentoring_Committee.html or send to a deserving student. Applications end March 29th, and awarded at the May 2nd Safety Day. What a tremendous opportunity.

NCBAA Silent Auction May 2nd – Quality products or services to benefit NCBAA Scholarship fund.

To further encourage college students and military to explore opportunities in Business Aviation, NCBAA will continue to build its scholarship fund through the tradition of a silent auction. (Last year, a specially designed "motorcycle" was auctioned.) Select quality products or services offered by our members will be auctioned at the May 2nd Safety Day. This is an easy way to promote your organization as well as donate to an excellent cause. Please send your donations ideas to Victoria Collom at MentoringCommitteeChair@norcalbaa.org and a further explanation will be provided.

Paid Internships and opportunities are available. Go the www.norcalbaa.org Mentoring Committee website for a further information.

1. Cessna Sales Associate position – Bay Area
2. APP Jet Center (Hayward) – Customer Service Rep and linesmen position
3. Falcon 2000 Easy (San Jose Hangar E) – Three week maintenance intern position for a paid internship in April.
4. CTP Aviation (Hayward) - Flight Coordinator position
5. SP Aviation (Oakland) – Charter Coordinator.
6. NCBA Website and Membership internship – support our continuing NCBA growth

Help raise awareness and appreciation for Business Aviation and California airports!

The NBAA in cooperation with the NCBA strongly encourage you (and your colleagues) to visit the State Capital on April 23 and 24 of this year and meet your State Legislators personally and tell them how important Business Aviation is the economy of California!!!

This event will begin the evening of April 23rd where industry representatives will have the opportunity to network with State Legislators and talk about the services and activities that these aviation companies provide or bring to their home airports, and how they benefit their community at large.

The following day (April 24th) they will have displays on the north steps of the capitol from 10:00 am to 1:00 pm along with general aviation displays such as gliders, hot air balloons and flight simulators to excite and inspire legislators and their staff about the economic impact and sheer fun of flight. For more information please click this link: <http://www.nbaa.org/advocacy/get-involved/officials/>

I'd like to express my thanks to everyone who helped with the information in this newsletter.

See you at the next meeting!

Brian Adamcik
Vice President
NCBAA