

## CONFERENCE DESCRIPTION

Attend the NBAA Business Aviation Taxes Seminar in San Francisco, CA on May 2, 2014 to learn about the latest federal and state tax developments impacting business aviation.

This focused one day seminar will cover key issues from state tax planning to aircraft leasing structures, all at an intermediate to advanced level. Through the use of case studies, attendees will come away with lessons learned and best practices to apply to their specific situations. This is a must attend seminar for networking and education.

## WHO SHOULD ATTEND

Anyone involved with the management of tax, accounting and legal topics associated with business aircraft, including: attorneys, accountants, tax advisors, aviation professionals, flight department personnel, aircraft owners/operators, and others. Both Members and non-Members of NBAA are welcome.

## LEARNING OBJECTIVES

Attendees of this NBAA Business Aviation Taxes Seminar will learn how to:

- Understand the various restrictions and exceptions under Parts 91 and 135 of the Federal Aviation Regulations and how they affect aircraft operations.
- Minimize California sales and use tax by learning about exemptions such as the common carrier and interstate commerce exemptions.
- Prepare for possible scrutiny of aircraft leasing structures by state taxing authorities.
- Develop strategies for arguing that business aircraft are “ordinary and necessary” expenses under IRC section 162.
- Recognize and mitigate the “leasing company trap” under IRC section 280F which can limit depreciation deductions.
- Develop strategies such as grouping to deal with passive loss and hobby loss limitations.
- Distinguish SEC requirements for public companies to report aggregate incremental cost of aircraft usage from differing IRS requirements.
- Learn about the latest federal excise tax issues for aircraft management service providers and strategies to respond to possible IRS audits.
- Examine common questions regarding entertainment use such as calculation methods for deadhead and multi-leg flights.
- Review actual scenarios involving flights that often fall into the “gray area” between business and non-business use.
- And more!

## AGENDA

### FRIDAY, MAY 2, 2014:

#### 8:00 a.m. – 8:30 a.m. Welcome and Introduction of Key Terms

*Glenn Hediger, Aviation Financial Consulting, LLC; Scott O'Brien, NBAA*

#### 8:30 a.m. – 9:00 a.m. FAA Regulatory Review: Implications for Tax Planning

*Kevin Austin, Aero Law Group*

- Understand how the various restrictions and exceptions under Parts 91 and 135 of the Federal Aviation Regulations (FARs) affect aircraft operations.
- Learn about options for receiving limited reimbursement for FAR Part 91 flight operations and potential tax consequences.
- Examine the “flight department company trap” and solutions for structuring flight operations to fully comply with FAR Part 91.

#### 9:00 a.m. – 9:45 a.m. State Tax Planning Opportunities With a California Focus

*George Rice, Rice & Associates*

- Minimize California sales/use tax by learning about exemptions such as the common carrier and interstate commerce exemptions.
- Distinguish between common exemptions and the specific requirements to succeed in achieving the California exemption.
- Examine the relevance of property taxes on aircraft ownership, including specific California property tax apportionment issues.

#### 9:45 a.m. – 10:15 a.m. Evolving State Tax Issues for Aircraft Owners and Operators

*Jordan Miller, CenterPoint Aviation Law*

- Learn about the latest state tax developments regarding aircraft and analyze western state tax “hot topics”.
- Prepare for possible scrutiny of aircraft leasing structures by state taxing authorities.
- Utilize challenges in Washington State such as the “Tax Avoidance” rule as a case study for responding to evolving state tax issues.

#### 10:15 a.m. – 10:45 a.m. Morning Break

#### 10:45 a.m. – 12:15 p.m. Federal Audit Traps and Solutions for Aircraft Leasing Structures

*John Hoover, Cooley LLP; Keith Swirsky GKG Law*

- Develop strategies for arguing that business aircraft are “ordinary and necessary” expenses under IRC section 162.
- Recognize the “leasing company trap” under Internal Revenue Code (IRC) section 280F and how it can limit depreciation deductions.
- Review strategies such as grouping to deal with passive loss limitations under IRC Section 469 and hobby loss limitations under IRC section 183.

#### 12:15 p.m. – 1:30 p.m. Lunch and Sponsor Tables

#### 1:30 p.m. – 2:15 p.m. Aircraft Reporting Best Practices for Public Companies

*Stewart Lapayowker, Stewart H. Lapayowker, P.A.; Alvaro Pascotto, Law Offices of Alvaro Pascotto*

- Distinguish SEC requirements for public companies to report aggregate incremental cost of aircraft usage from differing IRS requirements.
- Review specific examples of public company proxy statements to develop best practices for reporting.
- Learn how use of time sharing agreements and the FAA’s Nichols interpretation to seek reimbursement for certain flights.

#### 2:15 p.m. – 3:00 p.m. Federal Excise Taxes: Implications Beyond Commercial Operations

*Mark Dennen, Solairus Aviation*

- Analyze how federal excise taxes (FET) can have an impact on many Part 91 structures involving compensation or reimbursement.
- Examine potential FET implications for ownership structures involving a single member LLC.
- Learn about the latest FET issues for aircraft management service providers and strategies to respond to possible IRS audits.

#### 3:00 p.m. – 3:30 p.m. Afternoon Break

#### 3:30 p.m. – 4:15 p.m. Best Practices for Managing Non-Business Use of Aircraft

*Jed Wolcott, Wolcott & Associates, PA*

- Utilize the standard industry fare level rules to calculate imputed income for complex trips including multiple legs and international operations.
- Understand the final IRS entertainment use regulations and new planning opportunities they may present.
- Examine common questions regarding entertainment use such as calculation methods for deadhead flights.

#### 4:15 p.m. – 5:15 p.m. Case Study: Gray Areas of Business Aircraft Usage

*Doug Stewart, AircraftLogs (Moderator); Joanne Barbera, Barbera & Watkins; Rick Farley, PricewaterhouseCoopers LLP*

- Review actual scenarios involving flights that often fall into the “gray area” between business and non-business use.
- Work through each scenario to understand how arrangements such as time sharing agreements and leases affect non-business use calculations.
- Develop best practices for consistently documenting and managing tax implications for complex multi-purpose flights.

#### 5:15 p.m. – 5:30 p.m. Closing Remarks

# REGISTER BY APRIL 10 FOR THE EARLY BIRD DISCOUNTED RATE OF \$695!

Includes NBAA Member discount of \$300

Registration is available online: [www.nbaa.org/tax-seminar/2014](http://www.nbaa.org/tax-seminar/2014)

## CONFERENCE LOCATION AND HOTEL INFORMATION

Hilton San Francisco Financial District

750 Kearny Street

San Francisco, CA 94108

Room Rate: \$219.00

Cut Off Date: April 10, 2014

[www.nbaa.org/tax-seminar/housing](http://www.nbaa.org/tax-seminar/housing)

Reservations by Phone: (415) 433-6600

## CPE CREDIT

Attending this NBAA Business Aviation Taxes Seminar provides a maximum of 8.5 hours of recommended continuing education (CPE) credits. In accordance with the standards of the National Registry of CPE Sponsors, CPE credits have been granted based on a 50-minute hour.



NBAA is registered with the National Association of State Boards of Accountancy (NASBA) as a sponsor of continuing professional education on the National Registry of CPE Sponsors. State boards of accountancy have final authority on the acceptance of individual courses for CPE credit. Complaints regarding registered sponsors may be addressed to the National Registry of

CPE Sponsors, 150 Fourth Avenue North, Suite 700, Nashville, TN, 37219-2417. Website: [www.nasba.org](http://www.nasba.org).

**Course Level:** Introductory

**Prerequisite:** None

**Preparation:** None required

**Delivery Method:** Group-Live

**Level of Knowledge:** Overview

**Maximum CPE Credit:** 8.5

**Fields of Study:** Taxes (5.5 hours maximum CPE recommended)  
Business Law (3.0 hours maximum CPE recommended)

**CPE Complaint Resolution Policy:** For more information regarding administrative policies such as complaint and refund, contact the National Business Aviation association at (202) 783-9000.

## CLE CREDIT

NBAA has not submitted this Seminar for CLE approval to any state provider. Upon request, NBAA will provide an attendance confirmation letter to support CLE applications. Based on a 50-minute hour, this Seminar may be eligible for up to 8.5 CLE credits.

NBAA's Business Aviation Taxes Seminar is **a must attend event** - it provides in-depth analysis of the latest federal and state tax issues and allows for networking with industry leaders."

ANGEL HOUCK, CPA, CLIFTONLARSONALLEN LLP



National Business Aviation Association  
1200 G Street NW, Suite 1100  
Washington, DC 20005

## SPONSORS

NBAA thanks the sponsors of the 2014 Business Aviation Taxes Seminar:

PLATINUM



HUSCH BLACKWELL

SILVER

BARNES & THORNBURG LLP



GOLD



BRONZE



BARBERA & WATKINS, LLC  
[www.bweflaw.com](http://www.bweflaw.com)

STEWART H. JARAWICKER, P.A.  
AVIATION TAXES CONSULTING SYSTEMS

If you would like to sponsor the 2014 Tax Committee Seminars/Conferences, please contact Scott O'Brien at [sponsors@nbaa.org](mailto:sponsors@nbaa.org).



# NBAA BUSINESS AVIATION TAXES SEMINAR

MAY 2, 2014 • SAN FRANCISCO, CA

REGISTRATION IS NOW OPEN!

[www.nbaa.org/tax-seminar/2014](http://www.nbaa.org/tax-seminar/2014)



DEDICATED TO HELPING BUSINESS  
ACHIEVE ITS HIGHEST GOALS.

