

Aircraft Dealer Statutes

28-8323. Government and dealer aircraft registration; fees

A. This state, any political subdivision of this state or the civil air patrol shall register aircraft it owns and operates exclusively in the public service, but a registration fee or license tax shall not be assessed on this aircraft. If this state, any political subdivision of this state or the civil air patrol does not register the aircraft as provided in section 28-8322, this state, the political subdivision or the civil air patrol shall pay the department a penalty fee of twenty-five dollars for the first month and five dollars for each succeeding month until it makes application for registration on the form provided by the department.

B. An aircraft dealer licensed by the department pursuant to section 28-8383 shall register aircraft the dealer owns and holds for the purposes of sale. If the dealer fails to register the aircraft with the department as an aircraft being held for purposes of sale on a form provided by the department within ten days after the aircraft is purchased by the dealer, the department shall assess the registration fee prescribed in section 28-8325 and the license tax prescribed in section 28-8335 on the aircraft.

28-8381. Definition of aircraft dealer

In this article, unless the context otherwise requires, "aircraft dealer" means a person who is either:

1. Engaged in the business of buying, selling or exchanging aircraft.
2. Offering to assist another person with the purchase, sale or exchange of an aircraft for compensation.

28-8382. License requirement; application; renewal; license tax; liability

A. A person shall not act as an aircraft dealer without first obtaining a license from the director that authorizes the person to engage in the business of an aircraft dealer.

B. A person shall apply for a license on forms prescribed or authorized by the director. The person shall submit with the application any required documents and the bond or cash deposit prescribed by section 28-8384. On approval of the application the director shall issue the license.

C. A license issued to an aircraft dealer is valid for one year and only for the person in whose name it is issued. The aircraft dealer:

1. Shall display the license conspicuously in the principal place of business of the aircraft dealer.
2. Shall annually renew the license.
3. May not assign the license.

D. If an aircraft dealer changes the dealer's place of business, the dealer shall notify the director in writing within ten days after the change.

E. In addition to any other penalties provided by statute, a person who acts as an aircraft dealer without first obtaining a license is liable for both:

1. The license tax imposed by section 28-8335 on aircraft owned by the person or held by the person on consignment for sale or exchange.
2. Any transaction privilege tax or similar excise tax on the sale of any aircraft sold, exchanged or brokered by the person that is not reported and paid as required by law.

28-8383. Aircraft dealer duties

A. An aircraft dealer shall both:

1. Obtain a tax privilege license from this state.
2. Notify the department within ten days after the purchase or sale of an aircraft or after accepting an aircraft on consignment and file this notification whether or not the aircraft dealer takes title to the

aircraft. If the notification is not filed in a timely manner, the aircraft is subject to the license tax imposed by section 28-8335.

B. An aircraft purchased by a dealer for resale or exchange may be flown only for the purpose of demonstrating it to a prospective buyer. Any other use of the aircraft subjects the aircraft to the license tax prescribed by section 28-8335. The aircraft dealer shall notify the department and register the aircraft within fifteen days after any other use of the aircraft occurs.

28-8384. Bond or cash deposit

A. The aircraft dealer shall file with the department a continuous corporate surety bond for the benefit of this state or a cash deposit as prescribed in section 35-155 in the sum of ten thousand dollars that is conditioned on the faithful performance of all sales contracts or agreements and that guarantees payment of all outstanding taxes and fees.

B. The surety of this bond may cancel the bond on giving notice in writing to the department and the aircraft dealer sixty days before the cancellation date. After cancellation the surety is relieved of liability for any breach of conditions occurring after the cancellation date.

C. If a surety has any cause to cancel the bond of an aircraft dealer and gives notice of the cancellation, the department shall immediately notify the aircraft dealer by certified mail addressed to the last known address of the aircraft dealer that the aircraft dealer shall discontinue sales until such time as a new bond or cash deposit meeting the qualifications of this section is filed with the department.

D. This section does not apply to aircraft dealers engaged primarily in the sale of new or used lighter-than-air aircraft. For the purposes of this subsection, "lighter-than-air aircraft" means an aircraft that can rise and remain suspended by using contained gas whose molecular weight is less than the molecular weight of the air displaced by the gas.

28-8385. Records

A. An aircraft dealer shall make and retain for three years records that the director may prescribe as being reasonably necessary to substantiate the reports required by this article.

B. The records may include copies of inventories, receipts or consignment contracts.

C. The director may inspect and copy these reports during normal business hours.

28-8386. Violation; classification A person is guilty of a class 6 felony if the person either:

1. Acts as an aircraft dealer without obtaining an aircraft dealer's license.

2. Knowingly fails to give the notification prescribed by section 28-8383, subsection A, paragraph 2.

For additional information see: [Arizona Revised Statutes Title 28 - Transportation](#)