

Aircraft for Air Ambulances

JLARC Staff 2018 Tax Preference Performance Review

Aircraft Excise Tax, Property Tax

Estimated 2019-21 beneficiary savings: \$0

Inferred objective: Give tax relief to nonprofit air ambulance providers



Nonprofit 501(c)(3) exempt organizations that own aircraft used exclusively for emergency medical transportation (air ambulances) are exempt from the aircraft excise tax and property tax.

Air ambulances are specially equipped to provide emergency medical services before and during transport.

Objective met: Preferences provided tax relief to one recipient for six years

The only qualifying nonprofit merged with a for-profit company in March 2016.

The five **air ambulance service providers now operating in WA do not qualify** because they are not nonprofit organizations.

Preferences expire January 1, 2020

Preferences provide the potential for tax exemption if a qualifying nonprofit were to own aircraft and provide air ambulance services.

Legislative Auditor's recommendation

Continue and clarify (structural purpose)

The Legislature should continue and clarify the two preferences to:

- Add performance statements that specify public policy objectives.
- Eliminate the expiration dates so they continue to offer potential tax relief if providers qualify in the future.

The complete report is on the JLARC web site.

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