

106TH CONGRESS  
1ST SESSION

# S. 1410

To amend the Internal Revenue Code of 1986 with respect to the treatment  
of certain air transportation.

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## IN THE SENATE OF THE UNITED STATES

JULY 21, 1999

Mr. STEVENS introduced the following bill; which was read twice and referred  
to the Committee on Finance

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## A BILL

To amend the Internal Revenue Code of 1986 with respect  
to the treatment of certain air transportation.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. AMENDMENT OF THE INTERNAL REVENUE**  
4                   **CODE OF 1986.**

5       Subsection (j) of section 132 of the Internal Revenue  
6       Code of 1986 (relating to certain fringe benefits) is  
7       amended by adding at the end thereof the following new  
8       paragraph:

9                   “(9) SPECIAL RULE FOR CERTAIN NONCOMMER-  
10               CIAL AIR TRANSPORTATION.—Notwithstanding any

1 other provision of this section, the term ‘no-addi-  
2 tional-cost service’ includes the value of transpor-  
3 tation provided to any person on a noncommercially  
4 operated aircraft if—

5 “(A) such transportation is provided on a  
6 flight made in the ordinary course of the trade  
7 or business of the taxpayer owning or leasing  
8 such aircraft for use in such trade or business;

9 “(B) the flight on which the transportation  
10 is provided would have been made whether or  
11 not such person was transported on the flight;  
12 and

13 “(C) no substantial additional cost is in-  
14 curred in providing such transportation to such  
15 person.

16 For purposes of this paragraph, an aircraft is noncommer-  
17 cially operated if transportation thereon is not provided  
18 or made available to the general public by purchase of a  
19 ticket or other fare.”.

20 **SEC. 2. EFFECTIVE DATE.**

21 The amendment made by section 1 shall take effect  
22 on January 1, 2000.

