

CALIFORNIA DEPARTMENT OF TAX AND FEE ADMINISTRATION

CURRENT LEGAL DIGEST NO. 1094

February 12, 2025

Sales and Use Tax Annotations

New Annotation – 500.0095 International Flight

500.0095 International Flight. The purpose of Revenue and Taxation Code (RTC) section 6357.5 is to provide an exemption from sales and use tax for domestic sellers that is consistent with the sales and use tax exemption foreign sellers enjoy pursuant to RTC section 6352 and federal law. Therefore, in determining whether an entire series or combination of routes taken by an aircraft, or only a portion thereof, constitutes an international flight, the result should be consistent with the meaning of “actually engaged in foreign trade” for purposes of section 1309 of Title 19 of the United States Code. As such, an aircraft can only be engaged in an international flight, when it is actually transporting persons or property to the final destination outside the United States. Additionally, an international flight is not limited to a combination of routes with a single domestic stop. 10/15/2024.