

LEGAL UPDATES

PUBLISHED: AUGUST 20, 2010

Professionals

DAVID C. AGEE
 SPRINGFIELD:
 417.268.4066
 ST. LOUIS:
 314.345.6406
 DAVID.AGEE@
 HUSCHBLACKWELL.COM

MICHAEL A. COSBY
 SPRINGFIELD:
 417.268.4110
 MICHAEL.COSBY@
 HUSCHBLACKWELL.COM

JASON A. RESCHLY
 KANSAS CITY:
 816.983.8170
 JASON.RESCHLY@
 HUSCHBLACKWELL.COM

DOT Revised the Standard Industry Fare Level (SIFL) for Last Six Months of 2010

The U.S. Department of Transportation recently revised the SIFL rates for the six month period July 1, 2010 through December 31, 2010. The SIFL rates for the last 6 months of 2010 are:

Mileage Range	Amount per Mile
0 – 500 miles	\$0.2243
501 – 1,500 miles	\$0.1710
Over 1,500 miles	\$0.1644
Terminal Charge	\$41.00

SIFL rates are used to value an employee's personal use of a company aircraft, as required by the Internal Revenue Code Section 61 and the Federal Tax Regulations Section 1.61-21(g).

Each use of an employer-provided aircraft by an employee is potentially taxable to the employee. These rules also apply when guests or family members of an employee are provided use of an employer-provided aircraft. Also, the classification by the IRS of some personal use flights as recreational, amusement or entertainment, causing the company to lose the company's business deductions for such flights, does not eliminate the requirement to allocate the value of the personal use flights to the individual receiving the benefit of such flights.

Contact Info

For more information regarding the SIFL rates, assistance with calculating the value of an employer-provided flight or other aviation related tax issue, please contact one of the following attorneys in the Husch Blackwell Sanders Aviation Practice Group:

Springfield

David Agee - 417.268.4066

Michael Cosby - 417.268.4110

Kansas City

Jason Reschly - 816.983.8170

Memphis

Bert Wolf - 901.888.4012

IRS Required Statement

Pursuant to recently-promulgated U.S. Treasury Department Regulations, we are now required to advise you that, unless otherwise expressly stated, any federal tax advice contained in this communication, including attachments and enclosures, is not intended or written to be used, and can not be used, for the purpose of (i) avoiding tax-related penalties under the Internal Revenue Code or (ii) promoting, marketing or recommending to another party any tax-related matters addressed herein.

Husch Blackwell Sanders LLP regularly publishes updates on industry trends and new developments in the law for our clients and friends. Please contact us if you would like to receive updates and newsletters, or request a printed copy.

Husch Blackwell Sanders encourages you to reprint this material. Please include the statement, "Reprinted with permission from Husch Blackwell Sanders, copyright 2010, www.huschblackwell.com." at the end of any reprints. Please also email info@huschblackwell.com to tell us of your reprint.

This information is intended only to provide general information in summary form on legal and business topics of the day. The contents hereof do not constitute legal advice and should not be relied on as such. Specific legal advice should be sought in particular matters.