



**BARBERA & WATKINS, LLC**  
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**QUICK FACT SHEET  
TIME SHARING OF AIRCRAFT**

**GENERALLY SPEAKING:**

Time sharing permits the provision of aircraft with crew for limited compensation under Part 91 of the Federal Aviation Regulations.

**REGULATIONS:**

Operations that may be conducted under the rules of Part 91, Subpart F instead of those in Parts 121, 129, 135 and 137 of this chapter when common carriage is not involved, include the carriage of company officials, employees, and guests of the company on an airplane operated under a time sharing agreement (as defined below). 14 C.F.R. § 91.501(b)(6).

A time sharing agreement means an arrangement whereby a person leases his airplane with flight crew to another person, and no charge is made for the flights conducted under that arrangement other than:

- (a) Fuel, oil, lubricants and other additives.
- (b) Travel expenses of the crew, including food, lodging and ground transportation.
- (c) Hangar and tie down costs away from the aircrafts' base of operations.
- (d) Insurance obtained for the specific flight.
- (e) Landing fees, airport taxes and similar assessments.
- (f) Customs, foreign permit and similar fees directly related to the flight.
- (g) In flight food and beverages.
- (h) Passenger ground transportation.
- (i) Flight planning and weather contract services.
- (j) An additional charge equal to 100% of the expenses listed in (a).

14 C.F.R. §91.501(c)(1) and (d).

**TO NOTE:**

Federal transportation excise tax and associated segments fees are due on the amount paid by the user of the aircraft under a time sharing agreement.

Time sharing is available to large (aircraft of more than 12,500 pounds, maximum certificated takeoff weight) and turbine-powered multi-engine aircraft. The NBAA Small Aircraft Exemption may be utilized to allow aircraft and helicopters that do not otherwise qualify to operate under a time sharing agreement.

Carriage must be incidental to the business of the company operating the aircraft under the time sharing agreement. Accordingly, a sole purpose company cannot time share an aircraft.

Loan documentation may prohibit time sharing an aircraft. In addition, operators should check with their insurance providers to confirm coverage is included for operations under a time sharing agreement.

Time sharing agreements are leases and subject to FAA truth-in-leasing requirements.

Special considerations exist for public companies time sharing aircraft to executives and board members.

Foreign civil aircraft have special restrictions.

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