



January 30, 2014

Ms. Sherrie Kinkle
State Board of Equalization
Property and Special Taxes Department
450 N Street
P.O. Box 942879
Sacramento, CA 94279-0064

Re: Property Tax Rule 133, Business Inventory Exemption

Dear Ms. Kinkle:

On behalf of Wesco Aircraft Hardware Corp., I wish to express our strong support of the Board of Equalization's recent conclusion that space flight property should be categorized as exempt business inventory. The proposed amendments to Property Tax Rule 133 properly ensure the rule's uniform application throughout the state. This action is consistent with the authority vested in the Board under Government Code Section 15606(c), and will contribute to maintaining a robust aerospace sector in California.

We recognize that commercial space launch is an emerging and challenging issue for the property tax system. While launch providers sell services, they relinquish control over space flight property upon launch. Therefore, as a proud California aerospace supplier, we applaud this important clarification that launch vehicles should not be subject to property tax. This tax, if improperly applied, would have added significant burden to the entire industry.

Thank you again.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Hal Weinstein', is written over a light blue horizontal line.

Hal Weinstein
Executive Vice President



Hal Weinstein | Executive Vice President | 27727 Avenue Scott, Valencia, California, US 91355
Office: 661-775-7279 | Email: Hal.Weinstein@wescoair.com | Web: www.wescoair.com