

PIREPS December 2012



Welcome to PIREPS!

PIREPS brings you the latest news and information from Premier Aircraft Sales, Inc., and the aircraft manufacturers it represents: Mooney Airplane Company, Diamond Aircraft, Extra and Aviat Husky. For questions or comments, contact our editor, Dale Smith, at: dale.smith@flypas.com

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Tax Bulletin: Bonus Depreciation Expiring Dec. 31 BUT Rules Apply For 2013 Aircraft Purchased By Year's End



Under a tax law expiring at the end of 2012, aircraft owners can generate tremendous tax savings by purchasing an aircraft by Dec. 31. Those savings include deducting fully 50% of the purchase price of the aircraft and 2012 aircraft operating expenses, according to Daniel Cheung, CPA, of Aviation Tax Consultants LLC. In addition, Cheung notes, sales and use tax savings can amount to six to nine percent of the aircraft purchase price.

Equally as important, these tax benefits can be realized on the purchase of a new 2013 aircraft if that purchase is committed by a binding contract and non-refundable deposit.

"Many customers have asked me whether the bonus depreciation and expensing tax benefits will be renewed by Congress in 2013," says Fred Ahles, President of Premier Aircraft Sales. "None of us can predict the future but, given the political climate and desire of the current administration to close loopholes where possible, I firmly believe this is the last time aircraft purchasers will have access to such lucrative tax savings for a long time.

According to Cheung, the aircraft purchase must meet the following criteria:

- The new aircraft must be purchased and placed into service in 2012
- The aircraft must be used primarily for business purposes
- A 2012 dealer demonstrator aircraft will qualify as new aircraft
- Also qualifying is an existing production position for an aircraft that will deliver in 2012 bonus depreciation

If the following requirements are met, a 2013 new aircraft delivery can also qualify for 50% bonus depreciation if:

- A binding contract to buy a new aircraft is signed by Dec. 31, 2012
- The purchase is committed by a non-refundable deposit of the lesser of 10 percent of the cost, or \$100,000
- The aircraft should have an estimated production period exceeding 4 months
- The cost of the aircraft exceeds \$200,000
- The aircraft will be delivered and placed into for Part 91 (non-commercial) operation by Dec. 31, 2013
- Depreciation will be taken on 2013 income tax return

Tax situations vary widely between individuals. To find out more, please visit the Aviation Tax Consultants website, www.aviationtaxconsultants.com or consult your tax advisor.

Buy Risk-Free: Free Maintenance, Free Extended Warranty and Guaranteed Buy-Back Program Expires Dec. 31



Premier Aircraft Sales is currently offering the "Buy Risk-Free Program" – the most lucrative incentives ever offered on the purchase of a new DA40 XLS. Expiring Dec. 31 this year, the Buy Risk-Free incentives include:

- **FREE three-year scheduled maintenance:** This covers your regularly scheduled, non-warranty maintenance (parts and labor), such as oil changes and routine inspections for three years or 300 hours.
 - **FREE three-year extended warranty:** The extended warranty provides you with an extra year of coverage over that provided by Diamond's standard two-year warranty.
 - **UNPRECEDENTED buyback guarantee:** We guarantee that, should you need to sell your aircraft before three years of ownership are up, you'll avoid a brokerage fee or the headache of selling it yourself. This guarantee activates 12 months after purchase.
 - **DISAPPEARING TAX INCENTIVES:** The 2012 bonus depreciation tax benefits expire Dec. 31. Through the end of this year, you may qualify to write off a substantial amount of your purchase under the Bonus Depreciation tax rules. Learn more here: <http://www.advocatetax.com/6698/bonus-depreciation-expensing-available-for-2012-aircraft-deliveries/> or consult your tax advisor for specifics.
- The DA40's safety record beats all the other aircraft in its class by a large margin, parachute or no parachute! The Buy Risk Free program is offered by participating Diamond dealers nationwide. For more information or to schedule a demo, please contact Earle Boyter at (954) 771-0411 (o), (772) 321-5420 (c), or earle.boyter@flypas.com for more information.

The Proficient Pilot: Distractions Can Be Deadly

Corbin Hallaran, Director of Safety, Premier Aircraft Sales, Inc.



We hear about situations all the time: distracted pilots making critical errors that jeopardize their equipment, and sometimes lives.

One pilot, chatting to his passenger during a pre-flight, forgot to replace the oil dipstick. Shortly into flight, his engine oil completely covered the windshield and passenger-side window. He landed the airplane "blind" with only a small portion of the pilot's side window clear enough for ground reference. In another example, the pilot couldn't figure out why the aircraft wouldn't budge after startup. Oops... the wheel chocks! Another pilot read the Sunday New York Times cover to cover until – sputter – time to switch tanks! Yet a third pilot chatting on the cell phone during a pre-flight, forgot to secure the baggage door...until it popped open on the takeoff roll. The consequence: bent baggage door hinges, wrinkled sheet metal, an aborted takeoff, and the potential loss of directional control, not to mention passengers who were spooked and wondering if he knew what he was doing.

Multi-tasking is part of flying; there's no getting around it. But when a pilot's concentration is broken due to distractions, deadly accidents can occur. Those distractions can come from outside the cockpit or inside the cockpit, but most often are created by circumstances a pilot can control. Let's look at what a few of those are.

First: **discourage unnecessary talk** during preflight, startup, taxi, takeoff, climbout and landing. Instruct your passengers to minimize their chatter unless they see such things as traffic, birds, or something that doesn't look right. During the high workload phases of departure and landing, use the isolation button on the intercom to prevent breaks in your concentration.

Second: **don't multi-task when you don't have to.** Have you ever been in a hurry to take off, so you set your radios, got the ATIS, wrote and read back your IFR clearance and ran up the engine while you were taxiing to the runway? DON'T. ATIS and IFR clearances should be obtained on the ramp before taxi. Pre-taxi and taxi checklists are done on the ramp, too – before moving! Do the run-up and pre-takeoff checklists while stationary in the run-up area – not while moving! There's a reason the FAA, in the last decade, has launched a major initiative to reduce the number of runway incursions with awareness programs, markings and signage... taxi distractions that have led to tragic, preventable accidents.

Third: **dump digital distractions.** The advent of "smart phones" that receive email and text messages in the air has created new opportunities to lose situational awareness. Have you ever received, or sent, a text message while approaching or leaving an airfield? Or, have you even played Angry Birds on your iPad while cruising along in flight? DON'T.

Fourth: **the call can wait.** Smart phones add another distraction dimension. It's so tempting to answer calls received on the ramp, during taxi, and even on takeoff or approach to landing. DON'T. What call is so important it's worth risking your equipment or your life?

Fifth: **cool the cockpit parties.** The advent of XM radios and iPhones with custom play lists means your passengers and you may be rocking and rolling instead of paying attention. Sure, it's fun to fly while singing Bruce Springsteen at the top of your lungs, but it's easy to miss a critical call from ATC. Consider isolating yourself from the music during high workload phases of flight, and never listen during heavy IFR conditions.

I think of safe flight as being a lot like taking a picture. If you use your camera to take a panoramic shot, you miss the important detail. If you focus on one subject, you get all the detail. When able, take a close-up shot of your tasks, one at a time, and you'll increase your safety margin considerably.

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• [Diesel-upgrade program launched for Cessna 172](#)

From [AOPA February 24, 2014](#) | By [Dan Namowitz](#) Efficiency, safety, and value all will benefit from a newly announced Cessna 172 upgrade program to add a diesel engine, a three-blade constant-speed propeller, and advanced avionics to the aircraft, said [Premier Aircraft Sales](#) of Fort Lauderdale,...

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Can A Personal Plane Offer Big Business Benefits?



(Photo - Piper Aircraft Inc.)

By Dale Smith, Editor Premier Aircraft Sales.

You bet, particularly when you're talking about Piper Aircraft's top-of-the-line Meridian.

I think that far too many people who could benefit from private aircraft travel underestimate the value of a modern propeller airplane. They suffer from "if it's not a jet, it's not for business" type of thinking. How wrong they are. Take the Piper Meridian. It's a single-engine turboprop so despite the propeller, it is truly jet-powered and that really means business. Admittedly, I'm a Piper fan from way back. I the lead copywriter on the Piper account when the Meridian's older brother, the piston-powered Piper Malibu was introduced. It was love at first flight. With its pressurized cabin and ability to fly high over most weather, the Malibu defined a new class of cabin single-engine airplane.

While the Malibu was a good, airplane it was elevated to "great" when Piper mated the Malibu fuselage and wing to a Pratt & Whitney PT6A turboprop engine. The result, called the Meridian, is truly amazing, especially if you're lucky enough to pilot one.

Jet-Powered Piper Meridian Scores Big On Performance

I've had the pleasure of flying a lot of airplanes, and the Meridian is one of my all-time favorites. With 500 shaft horsepower, it is solid and responsive at its 260 kt (300 mph) high cruise speed as well as slow 75 kt (86 mph) landing speeds, and that responsiveness is a very nice complement to the Meridian's short 2500 foot runway capability. It can easily takeoff and land at small community airports many of which have runways that are too short for even the smallest jets.

That kind of performance makes the Meridian a natural step up for any owner/pilot who is currently flying a high-performance, single-engine piston aircraft. That alone will make most insurance carriers happy, and while type-specific training is always a good idea, there's no FAA requirement to get a type rating to fly the Meridian.

One of the coolest things about flying a Meridian is taxing. With that big propeller and the ability to use reverse-thrust, you not only have a lot of control without

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wearing out the brakes, you get the added bonus of announcing your arrival with what can best be described as a growl as the prop cycles into the reverse range.

Cockpit Capabilities And Cabin Comfort.

The current version is equipped with the Garmin G1000 avionics suite – the same package that’s in the popular entry-level Cessna Mustang – so suffice it to say that the Meridian is at no loss for capabilities and situational awareness enhancements. It even includes an onboard four-color weather radar. That’s one piece of equipment that I think is essential for hard-core business travel. Satellite weather is good, but it’s no match for live radar – especially if you fly in the southeastern U.S.

Now that I’ve compared the Meridian’s cockpit to a entry-level jet, let’s talk overall performance. The Meridian delivers an honest 260 kts (300 mph) and a range of just over 1,000 nm (1150 miles – New York to Memphis). So on a typical business trip, your Meridian will cost you a few minutes in travel time, but save you hundreds of dollars in fuel compared to a small jet. And with a \$2.176 million sticker price, the Meridian is about a \$1 million less than one of the top selling entry level jets so that will cover a great deal more fuel cost, as well.

While the Meridian may be everything a pilot could want, the folks fortunate to be traveling the cabin will be equally content. The cabin, with club seating for four, is spacious and the seats are Lexus-like in their comfort. In addition, with the Pratt & Whitney engine far up front, the Meridian’s cabin is quieter than many small jets that I’ve traveled in.

So the next time you’re dreaming about flying privately, don’t limit yourself to jets. Try the impressive Piper Meridian. Chances are this single-engine turboprop may dramatically change your view of business and pleasure travel in a very big way.

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Premier Aircraft Sales, Inc. Fort Lauderdale Executive Airport (FXE)
5544 NW 23rd Avenue, Hangar 15 Fort Lauderdale, FL 33309
Main 954-771-0411 Fax 888-206-0582

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