February 9, 1996

Robert L. Nutt, Esq.
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One International Place
Boston, MA 02110-2624

RE: Construction of Part 91

Dear Mr. Nutt:

This is in response to your letter of January 30, 1996, in which you requested my views on a proposed air operation of an executive aircraft under FAR Part 91, in particular section 91.501.

You indicate that executives of a company, which leases and operates an aircraft in its business, would like to use the aircraft from time to time for personal travel, which would include the travel of spouses and children. You ask to what extent could the executives reimburse the company for such personal use of the aircraft under section 91.501(b)(5).

In my view, no payment may be made by the executives for personal use of the aircraft under section 91.501(b)(5).

Section 91.501(b)(5) only permits reimbursement for carriage within the scope of, and incidental to, the business of the company. As this travel is not business travel, section 91.501(b)(5) would not apply. In essence, these would be flights operated by the company for the operator's own personal transportation or for the transportation of guests of the company. No charge is permitted for such carriage under sections 91.501(b)(4) or (5).

Your second question is whether a time-sharing "agreement" must be a written agreement and, if so, whether it must be filed with the Aircraft Registration Branch, Technical Section, in Oklahoma City.

Under section 91.501(c)(1), a "time-sharing agreement" means an arrangement whereby a person leases his aircraft with flight crew to another person. Under section 91.23(a) of the Federal Aviation Regulations, a lease of a U.S. registered large civil aircraft shall be in writing and, mailed within 24 hours of its execution to the Technical Section in Oklahoma City.

Therefore, if the aircraft in question is a large aircraft (i.e., more than 12,500 pounds maximum certificated gross weight), a written lease is required, and it must be filed as indicated above.

Sincerely

GEORGE L THOMPSON
Assistant Chief Counsel