U.S. Department
of Transportation
**Federal Aviation
Administration**

Office of the Chief Counsel

Office of the Chief Counsel
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Washington, DC 20591

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Mr. Larry Williams
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This letter responds to your request for a legal interpretation of Title 14 of the Code of Federal Regulations § 61.113 regarding the limitations on private pilots acting as Pilot in Command (PIC) of an aircraft carrying passengers or property for compensation or hire.

Section 61.113(a) states that, "no person who holds a private pilot certificate may act as a pilot in command of an aircraft that is carrying passengers or property for compensation or hire; nor may that person, for compensation or hire, act as pilot in command of an aircraft." Section 61.113 also provides several exceptions to the general rule stated in § 61.113(a), which are listed in paragraphs (b) through (h).

The Federal Aviation Administration (FAA) has construed compensation broadly. Compensation "does not require a profit, a profit motive, or the actual payment of funds." Legal Interpretation to Joseph Kirwan (May 27, 2005). Rather, compensation is the receipt of anything of value. The FAA has previously found that reimbursement of expenses (fuel, oil, transportation, lodging, meals, etc.), accumulation of flight time, and goodwill in the form of expect future economic benefit could be considered compensation. Legal Interpretation to John W. Harrington (Oct. 23, 1997); Blakey v. Murray, NTSB Order No. EA-5061 (Oct. 28, 2003).

The scenario you present is a mechanic who, as part of his duties, conducts flight tests after performing maintenance on the aircraft, and does not carry passengers or property for compensation or hire. The mechanic holds a private pilot certificate with a valid third class medical certificate. This situation is covered under § 61.113(b), which states that, "[a] private pilot may, for compensation or hire, act as pilot in command of an aircraft in connection with any business or employment if (1) the flight is only incidental to that business or employment and (2) the aircraft does not carry passengers or property for compensation or hire." As these flight tests are incidental to his employment as a mechanic, the mechanic is not in violation of § 61.113 when conducting these flight tests.

We hope this response has been helpful to you. If you have additional questions regarding this matter, please contact my staff at (202) 267-3073. This response was prepared by Neal O'Hara, an attorney in the Office of the Chief Counsel, International Law, Legislation and Regulations Division, and was coordinated with the General Aviation and Commercial Division of the Flight Standards Service.

Sincerely,

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Assistant Chief Counsel for International Law, Legislation
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