

Change of Ownership

Buying or selling an aircraft? It's important that you know how to change the aircraft's ownership details.

For many people, aircraft ownership is a lifelong dream, while for others it may be an investment or a business decision.

Regardless of why you're buying or selling an aircraft, there are obligations under rule 47.57 *Change of possession of aircraft* that must be met. For further guidance, see Advisory Circular AC47-1.

The form used to lodge a change of ownership – 24047/03 *Notice of Change of Possession of Aircraft* – can be found on the reverse of the aircraft's Certificate of Registration, or can be downloaded from the CAA web site, www.caa.govt.nz.

Note that the Civil Aviation Act 1990 defines 'owner' of an aircraft as the person lawfully entitled to possession of the aircraft for 28 days or longer – this may differ from the financial or legal owner(s) of the aircraft.

Buyer Considerations

When buying an aircraft, the change of possession form needs to be filled out by yourself and the seller. If you're going to physically meet the existing owner to exchange payment, you should complete the form with them at that stage.

The fee for changing possession is the responsibility of the vendor, but you may come to your own arrangements. You would be wise to ensure the seller is aware of their obligation to pay the fee.

If you lose contact with the seller and need to register the change, a 24047-03A *Notice of Change of Possession of Aircraft (Relinquishing party unavailable)* form can be completed, but must be accompanied by the change of possession fee.

You have 14 days from the sale date to submit the application and fee, to ensure time for a new Certificate of Registration to be issued. It is an offence to operate an aircraft without a valid Certificate of Registration.

If you're planning to import an aircraft, be aware that you also have obligations to meet to register it in New Zealand.

Seller Considerations

When selling an aircraft, the most reliable way to handle the change of ownership process is to have the buyer complete their part of the paperwork before you hand the aircraft to them. Once the form is complete, send it to the address provided and be sure to include the change of possession fee – that is your responsibility as the relinquishing party.

The new buyer can complete and submit their part of the form separately if necessary, but it is important that you lodge yours, as you would otherwise continue to be responsible for the aircraft, and any fees it incurs.

Why This Matters

The change of possession process is more than just red tape; it has direct safety implications. The registered owner of the aircraft is sent Emergency Airworthiness Directives that could ultimately save their life. The owner will also be easier to contact or identify in an emergency.

When changing ownership, ELT beacon details should also be changed at www.beacons.org.nz, as an aircraft cannot be flown without its beacon being correctly registered (rule 91.529 *Emergency locator transmitter*).

Another thing to be aware of is that the annual registration fee and participation levies are invoiced to the registered owner of the aircraft on 1 July. Buyers should ensure the most recent levy has been paid, and sellers should be aware of their obligation to pay if change of ownership isn't processed by 30 June.

Under changes proposed to take effect from 1 July 2017, it will be possible to defer the participation levy for aircraft that cannot be operated for more than three months, for example due to maintenance or restoration. To apply for the deferral, owners will need to notify the CAA before the new levy cycle starts on 1 July 2017. ■