

# DUNCAN INTELLIGENCE

• Edited by Joe Austin & Tim Klenke • Fall 2001

## Considering A Like-Kind Exchange?

By Dick Peterson

Over the years, Duncan Aviation's Aircraft Sales Representatives have had operators ask some basic questions about like-kind exchange transactions. A like-kind exchange, also called a 1031 exchange, is often applicable to business property like aircraft. In general, this means you won't have to recognize a gain on an aircraft's sale if you purchase a like-kind property.

Suppose you own an aircraft that will realize a large gain if you sell it. To avoid the gain, you might be able to do a like-kind exchange. The timing of the like-kind exchange must satisfy two requirements:

1. The replacement aircraft must be identified on or before the 45th day after the date of the transfer of your aircraft. The replacement aircraft must be "identified" in a written agreement (unambiguously) for the exchange of properties, and the agreement must be signed by all parties before the end of the identification period.
2. The identified replacement aircraft must actually be received before the end of the exchange period, which begins on the date that your aircraft is transferred and ends on the earlier of a) 180 days after the date of the transfer or b) the due date (including extensions) of your tax return for the year in which the bottom unit was transferred.

If done properly, this type of transaction can have huge tax implications. For the best results, we advise you to consult your tax advisor.

## Axle Damage On The 650

By Joe Austin

During removal and installation of the main wheel assemblies, the upper surfaces of the axle are easily damaged. Cessna gives allowable limits in the maintenance manual in 32-10-00 p. 803. Due to the stress placed on these axles allowable damage is minimal and they usually must be replaced.

Duncan Aviation has determined that damage is caused by the sharp edge of the wheel bearing races that are installed in the wheel halves. Damage occurs when the main wheel assembly (during installation or removal) is set on the axle and is not installed completely on the brake assembly or completely removed from the axle.

During removal or installation of the wheel assembly, with the axle nut and outer bearing removed, fold and install a shop rag in the inner cavity of the wheel assembly or find a section of rubber hose to slide over the axle. This helps prevent damage to the axle as the wheel is being removed or installed.

## Flight Control Surface Installation

By Joe Austin

During flight control surface installations, washers are installed in certain locations to reduce the possibility of friction in the system. The washers are installed at three locations including all rudder hinge points, the outboard hinge points of the elevators and ailerons.

In these locations, the hinge point on the flight control surface has the potential to rub on the bearing support at that location. An ideal condition exists when there is no contact between the center portion on the hinge bearing and the hinge point on the flight control.

Duncan Aviation installs the washers with P/N AN960-4L or NAS1149FN416P between the bearing and the hinge point on the flight control. In most cases the length of the bolt does not need to be changed because the thick washers that are usually installed under the head of the bolt or the nut can be exchanged for thin washers.

## De-ice & Anti-ice Systems Should Be Checked Now

By Joe Austin

Wintertime is fast approaching, and now is a good time to make certain your De-ice and Anti-ice systems are working properly.

Have an Authorized Service Center or qualified pilot(s) check your systems as soon as possible.

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AVIATION



*For Citation technical info, we have the experts. Our Citation Team consists of tech reps and technicians with experience in airframe/engine, interior/exterior completions, avionics installations, component repair and parts.*

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