

**ASSOCIATION OF ASIA PACIFIC AIRLINES
RESOLUTION NO. 10
Series of 2012**

A RESOLUTION AGAINST UNFAIR TAXATION

The AAPA ASSEMBLY OF PRESIDENTS, in its 56th meeting duly assembled,

RECOGNISING THAT:

- I. Aviation plays a vital role in facilitating economic growth and is thus a key driver of social and economic development worldwide;
- II. The International Civil Aviation Organisation (ICAO), which provides guidance on taxation of international air transport as set out in Doc 8632, "ICAO's Policies on Taxation in the Field of International Air Transport", discourages levies on international air services as these would inhibit further economic development;
- III. Air transport pays for its own infrastructure costs;
- IV. Airlines have made and continue to make strenuous efforts to deliver efficiency improvements and make air travel affordable to a wider global market;
- V. AAPA has in the past adopted resolutions calling on governments to refrain from increasing the burden of aviation levies in any form, including Resolution No. 4, Series of 2011, "A RESOLUTION AGAINST UNFAIR TAXATION";

NOTING THAT:

- VI. Airlines and the travelling public today already bear the burden of numerous taxes and charges imposed by governments, as well as monopolistic service providers and other agencies;
- VII. The travelling public is often unaware of the magnitude of such taxes or levies;
- VIII. Despite past exhortations, governments continue to increase the tax burden on the airline industry and the travelling public, including foreign nationals;

BELIEVING THAT:

- IX. Punitive or discriminatory taxes on aviation in any form contravene ICAO's policies on taxation;
- X. Unjustified taxes penalise the travelling public by making air travel less affordable, and undermine aviation's vital role in fostering global tourism and broader economic development;
- XI. Discriminatory taxes imposed on foreign citizens undermine a government's social and tourism objectives, and furthermore may lead to retaliatory measures by other governments;

RESOLVES:

- XII. TO RENEW THE CALL on governments to carefully consider the overall economic effects of putting further financial strain on the travelling public and on the aviation industry, and to refrain from increasing the burden of aviation levies in any form;
- XIII. TO CALL on governments to refrain from unjustified tax increases and any further taxes that impose unwarranted costs on societal mobility and global tourism and trade.

APPROVED this 9th day of November 2012.

Certified correct:



ANDREW HERDMAN
Director General

Attested by:



AHMAD JAUHARI YAHYA
AAPA Chairman – 2012