



****For Immediate Release****

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NEW ANALYSIS SHOWS SOUTH DAKOTA PASSENGERS WILL PAY UP TO \$3.2 MILLION IN ADDITIONAL AIRPORT FEES UNDER NEW CONGRESSIONAL PROPOSAL

Despite Access to Millions of Dollars, Some in Congress Pushing Massive Tax Hike On South Dakota Fliers

PIERRE, SD – Stop Air Tax Now, a project of Airlines for America, today released an analysis detailing the higher fees that South Dakota fliers will pay if Congress approves a proposal to raise a fee passengers pay when flying out of commercial airports. The fee hike could be approved as early as January 19th.

The proposal would increase the Passenger Facility Charge (PFC), a tax added to the cost of plane tickets that is transferred directly to airports, by \$4, to \$8.50, on the first leg of each flight. The study shows that travelers flying out of South Dakota will annually pay up to \$3.19 million more in PFCs under the new proposal.

“South Dakota does not need a tax hike,” said Dave Roetman, Minnehaha County GOP Chair. “Placing this extra burden on our commercial flyers will hamper our economic activity and make flying even more expensive for our citizens.”

The tax increase, proposed under the guise of modernization and expansion requirements, comes as airports in South Dakota took in \$17.3 million in operating revenue last year and \$13.84 million in grants. Additionally, South Dakota airport facilities have access to \$6 billion dollars in federal funding from the FAA’s trust fund.

The tax increase would add up to \$2 million annually to the coffers of Sioux Falls Regional Airport (FSD), the most of any airport in the state. FSD already has \$13.54 million in unrestricted cash and investments and collected \$2.75 million in grants last year.

Rapid City Regional Airport would also see up to \$1.04 million annually from the increased tax despite receiving \$1.07 million last year. *See table below for more detailed information.*

Airport Name	FAA Location Identifier	Additional PFCs From Increase (Max.)	Total Operating Revenue	Grant Receipts	PFCs	Unrestricted Cash & Investments
Sioux Falls Regional Airport	FSD	\$1,996,392	\$9,783,326	\$2,745,043	\$0	\$13,543,618
Rapid City Regional Airport	RAP	\$1,039,276	\$6,942,363	\$1,911,726	\$1,070,462	\$8,080,969
Aberdeen Regional Airport	ABR	\$107,436	\$330,030	\$7,984,651	\$102,453	\$0
Pierre Regional Airport	PIR	\$37,260	\$244,370	\$1,198,311	\$23,859	\$0
Watertown Regional Airport	ATY	\$9,964	\$0	\$0	\$0	\$0
Huron Regional Airport	HON	\$1,516	\$0	\$0	\$0	\$0

Sources: FAA CATS Form 127 for FY2016; US DOT O&D Data for 2016 via airlinedata.com

Passengers flying from smaller airports like Pierre Regional Airport would pay the highest amount in PFCs because most trips from smaller airports require a connecting flight. Under the fee increase, passengers flying out of smaller airports will pay \$13 in PFCs on each flight – \$8.50 on the initial leg of the trip and \$4.50 for the second flight.

The existing Passenger Facility Charge (PFC) Program allows the collection of PFC fees up to \$4.50 for every enplaned passenger at commercial airports controlled by public agencies. PFCs are capped at \$4.50 per flight segment with a maximum of two PFCs charged on a one-way trip or four PFCs on a round trip, for a maximum of \$18 total. The proposed \$4 increase on the first leg of a flight will increase the round-trip maximum to \$26.

More detailed information on specific states and airports can be found at <http://www.stopairtaxnow.com/pfc-impact-revenue-state>.

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ABOUT STOP AIR TAX NOW

Stop Air Tax Now is a project of Airlines for America, the industry trade organization for the leading U.S. airlines. The project aims to educate flyers about the Passenger Facility Charge (PFC) and how a Congressional proposal to nearly double the PFC tax would force passengers to pay an additional \$2.68 billion each year – just for using the airport. With the increase, a family of four would pay up to \$104 in the PFC tax alone on a round trip ticket.

Learn more about how the PFC hike would increase the price of your plane ticket by visiting stopairtaxnow.com.

ABOUT A4A

Annually, commercial aviation helps drive \$1.5 trillion in U.S. economic activity and more than 10 million U.S. jobs. Airlines fly more than 2.2 million passengers and 50,000 tons of cargo each day. Airlines for America (A4A) advocates on behalf of the American airline industry as a model of safety, customer service and environmental responsibility and as the indispensable network that drives our nation's economy and global competitiveness.

A4A works collaboratively with the airlines, labor groups, Congress and the Administration to improve air travel for everyone.

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