

## Understanding French Civilair Taxes



Taxes in aviation have always been a sensitive and complicated aspect for operators, either commercial or private. Years after years taxes have been added or changed due to political or budgetary reasons.

Commercial aviation is regulated not only by countries but also by international regulations (Chicago Conventions... ) and this lead to some specific tax exemptions (like VAT), out of own countries scopes.

France being a major country in term of commercial aviation it is a major lack for the French budget.

We first need to make a difference between commercial aviation (charter / Part 135) and private (Business Aviation / Part 91).

Flying commercial is more regulated but has some great advantages on the tax purpose. Exemption of VAT (in selling your airline ticket) but also for airlines (fuel without VAT). In France with a normal VAT rate of 20% the saving is huge.

Flying private is less regulated but VAT is due on every aspects of the flights ( fuel, services, suppliers... ).

Since years, the evolution of aviation in general has led to more expenses on State Agencies. The rise of traffic means more efficient ATC centers, the need for higher safety standards is leading to more staff and audits, the world being more dangerous security at airports has become a priority, and now environment is a real concern... All this has a cost, and this cost is often on State Agencies or local administrations (French Civilair, airports, police... ), taxes have been implemented to finance these new needs.

One additional tax has been created based on a different need, the Taxe de Solidarité sur les Billets d'avion (TSBA – Now called TTAP) – Solidarity Tax on airplane ticket. It was created to finance humanitarian actions in developed countries. With the aim of being global, the result is that since 2006 TSBA is only in place in 9 countries, including France.

Unfortunately, with French State budget being in deficit, the need to find money is a priority for each government.

*If you are a private or charter operator mandatory taxes are different.*

Commercial: airline and charter operators and this include business aviation flying commercial (whatever is the size of the aircraft), a flight plan must be filled as such.

Private: all other flights not under commercial rules, private operators either flying for leisure or business (but no passengers are paying for a fee), flight plan must be filled as such.

Let's detail the taxes depending on your flight rules

### **Commercial operators**

- *Taxe d'Aéroport / TA – Airport Tax*

It is the airlines that collect it and pay it back to the State, which then passes it on to the aerodromes. Its amount varies according to numerous criteria such as the size of the aerodrome, the passenger journey, the weight of the plane, etc. The proceeds of the tax are used to carry out various infrastructure improvements.

- *Taxe de l'Aviation Civile / TAC – Civil Aviation Tax*

The proceeds from the civil aviation tax are mainly allocated to the air control and operations annex budget (BACEA) of the General Directorate of Civil Aviation and to a lesser extent to the general State budget.

- *Taxe de solidarité sur les billets d'Avion / TS – TSBA - Solidarity Tax on airplane ticket*  
**Now called** : *TTAP, Taxe sur le transport aérien de passager ( Tax on passenger air transport )*

As describe above tax amount collected is aimed to finance development in the world.

### **Private operators are exempted of these 3 taxes**

### **Commercial AND Private operators**

With the rise of traffic at every airport especially at night and the urbanization of cities around airports has created issues among the population, so authorities are trying to reduce noise pollution, a "noise" law was passed in 1992 in order to put in place a policy that was both preventive and curative in the field of land and air transport. The law relating to the fight against noise establishes the noise mitigation tax in the vicinity of aerodromes intended to finance a system to help with the soundproofing of housing near the largest French aerodromes. The allocation of this financial assistance is entrusted to the Environment and Energy Management Agency.

A special Government Agency (ACNUSA) has been created to collect and manage the new tax (Taxe sur les nuisances sonores aériennes / TNSA – Tax on air noise pollution ) in addition to other aspects of aviation noise regulations and controls.

The TNSA is due for commercial and private operators only operating from some selected airports (with over 20 000 movements with aircraft of more than 20 tons )

Airports :

Paris CDG / LFPG, Paris Le Bourget / LFPB, Nantes / LFRS, Lyon / LFLL, Nice / LFMN, Beauvais / LFBO, Lille / LFQQ, Toulouse / LFBO, Bordeaux / LFBD, Marseille / LFML

### **How these tax are calculated ?**

TA / TAC / TTAP calculation is based on the passenger ticket / fee

- The destination itself (French Overseas Territories and Corsica have different rates)
- distance of the flight, domestic, European, or long distance
- Class of travel (Economy / Business / First )

TNSA calculation is based

- On the airport of operations (each airport has a different fee)
- The aircraft (number of engines / noise certificate)
- Time of operation (day / night )

These calculations were in place since their implementation, with limited increases mostly based on inflation. If we are only considering business Aviation (either commercial or private) impact was not very important, giving an order of price a daylight operation of a G650 in LFPB TNSA was around 30 Euros, and not even charged for a LFMN operations. Charter operators with a few passengers could expect a combined TA / TAC / TTAP tax of less than 600 euros.

BUT in 2025, France having a major deficit of its budget, our last government have decided to modify this tax collection. The France budget for 2025 adopted this week (5<sup>th</sup> of February) has revealed the changes that could be of a major industry change for major airlines but also for Business Aircraft operators operating commercially as a special category has been created for them.

The definition of distance has been changed, now there are 3 categories

- 1 : France and assimilated territories ( French overseas territories )  
European Union and affiliated countries (like Switzerland )  
European Economic Area (include Iceland, Norway)
- 2 : Intermediate distance : all other destination not part of point 1 and 3
- 3 : Distant destination – airport of destination of more 5500 Km from Paris CDG airport

It is interesting to note that calculation is done as such

Distant destinations, which include the territories of States whose main aerodrome serving the capital is located at a distance greater than 5,500 kilometers from the national reference aerodrome in our case Paris CDG Airport. So even if you are departing from Nice / LFMN calculation is based out of Paris / LFPG ( located at more than 900 kms away )

**TA's new rate**

European or equivalent : 5,05 Euros  
 Intermediate or long distance : 9,09 Euros

**TTAP's new rate**

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*inn euros)*

<b>Final Destination</b>	<b>Service Category</b>	<b>Tarif</b>
European / EU / EEA	Normal	7,4
	With Additional Services	30
	Business aircraft with turboprop	210
	Business aircraft with turbojet	420
Intermediate distance	Normal	15
	With Additional Services	80
	Business aircraft with turboprop	675
	Business aircraft with turbojet	1 015
Distant Locations	Normal	40
	With Additional Services	120
	Business aircraft with turboprop	1 025
	Business aircraft with turbojet	2 100

With this changes we now have

- 3 distances categories
- Service Category is now including Business aircraft

For commercial aviation

- Normal being Economy Class
- Additional Service being Business / First class

For Business Aviation the exact wording to describe the categories are

**“business aircraft with turboprop”**, the transport is carried out as part of a non-scheduled air service on board an aircraft equipped with one or more turboprops and having a maximum operational configuration in passenger seats less than or equal to 19

**“business aircraft with turbojet”** the transport is carried out as part of a non-scheduled air service on board an aircraft equipped with one or more turbojets and having a maximum operational configuration in passenger seats less than or equal to 19

As we can see the increase of the tax is huge and if in the past cost would fit in normal calculation of Charter Flight Price, this could not be avoided and impact will be on final charter flight price. A Paris New York flight with 5 passengers will be added just with TTAP of 10 500 Euros.

But for large business aircraft ( over 19 seats price is based on the normal / additional service rate.

Reminder, all French Civilair taxes are due by any operators operating out of France (either French or Foreign).

These new changes have received a really bad welcome from the Air Industry, especially from Air France / KLM Group as it is the most impacted. The Business Aviation actors in France are also complaining thru the EBAA France Association.

These changes are due to start on March 1<sup>st</sup> 2025. Unless there is a law revision or modification. By then we strongly recommend the Charter operators to include these new taxes in their quotes.

## **TNSA's new rate**

Noise tax rate have been increased (mostly adjusted due to inflation) as follow, but remains stable

Nantes-Atlantique	€37,80
Paris-Charles de Gaulle	€24,30
Paris-Le Bourget	€75,00
Paris-Orly	€26.60
Toulouse-Blagnac	€17.70
Beauvais-Tillé	€2.90
Bordeaux-Mérignac	€10,00
Lyon-Saint Exupéry	€0.00
Marseille-Provence	€4.70
Nice-Côte d'Azur	€0.50

## **Tax report / collection / payment**

All these taxes are mandatory and are due by all operators operating in France.

All is also describe in the French AIP. But at this time they are based on a self declaration. Of course a big airline can not easily escape from not reporting as flight are easy to track. French operators are also more under the eyes of French Civilair if no report is done. But a small foreign operators can escape all this system

*By ignorance* : ignorance of the tax system ( some parts of AIP are not often read )

*By complexity of the tax system collection* : how this is working ? where do I report ? How can I report ? what to report ? how often ? how calculation is done ? How taxes are paid ?

*By will* : some operators may know about all this but can just close their eyes as it is on self declaration... and in the end who will control what !

Until now the amount possibly collected on small business aircraft operators was low but now with the rise of all fees, French State may reinforce controls in the future and check if operators are registered and are paying for the fees...

**Flight Pro France is here to help you as operators in all the process.**

We can, on operators's behalf register your company in the French Civilair web portal dedictated to tax report and payment.

As we have all information about your flights in France we are reporting French Civilair with the exact information.

FPI France is also taking care of all payment to civilair on your behalf

Report process is time consuming as it must be done on a monthly basis whatever if a flight has been done in France or not, time to report is to be respected.

At this time more than 95% of our clients that have done operations in France are trusting FPI France for Civilair Tax report

*Please contact FPI Ops or FPI France for more information*