



AMERICANS *for* TAX REFORM

June 26, 2017

The Honorable John Thune, Chairman
Commerce, Science, & Transportation Committee
512 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Bill Nelson, Ranking Member
Commerce, Science, & Transportation Committee
512 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Thune and Ranking Member Nelson:

On behalf of Americans for Tax Reform (ATR), and millions of taxpayers nationwide, I write to reiterate ATR's long held opposition to efforts to increase the fee known as the Passenger Facility Charge (PFC).

Proposals to allow for uncapping and increasing the PFC represent an unnecessary and unfair burden to airline passengers and should not be included in the Senate's recently released bill to reauthorize the Federal Aviation Administration (FAA).

Given the current record levels of revenue and PFC collections at airports, it is entirely possible for airports to continue making such improvements without increasing the cost of flying.

According to recent financial reports filed with the FAA, US airports have over \$12.7 billion in unrestricted cash and investments on hand, which equates to 362 days of liquidity. Additionally, the Airport and Airway Trust Fund (AATF) is at its highest level since 2001, with an uncommitted balance of \$6 billion.

FAA reports show that U.S. airports brought in a record \$27 billion in 2015 alone. This included record highs of \$10.7 billion from airline rents and fees and \$9.1 billion from non-airline revenues such as retail and food and beverage.

Government taxes and fees already overburden air passengers – taxes make up over 20% of the cost of an average domestic flight. In 2016 the PFC brought in a record high of over \$3.1 billion and PFC revenue for 2017 is projected to increase to over \$3.36 billion.

It is for these reasons Americans for Tax Reform urges members of the Senate Commerce, Science, and Transportation Committee to oppose any efforts to include uncapping or increasing the PFC as part of the Senate FAA reauthorization bill.

Sincerely,

Grover G. Norquist
President
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