



UK Air Passenger Duty

Compliance Guide for Business Aircraft Operators

Version 3

Introductory Note



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UK Air Passenger Duty (APD) applies to business aircraft operators since 1 April 2013. Many of them are in full compliance since day one. Surprisingly, there is still a number of operators who either haven't heard about APD or have received misleading information.

We created this easy-to-use compliance guide to inform commercial and non-commercial business aircraft operators about their APD obligations, associated costs and our APD support solution.

The last few months have shown how critical it is for non-compliant aircraft operators to act without any further delay. To avoid penalties, they are strongly advised to declare unpaid APD as soon as possible and to accurately account for future APD liability.

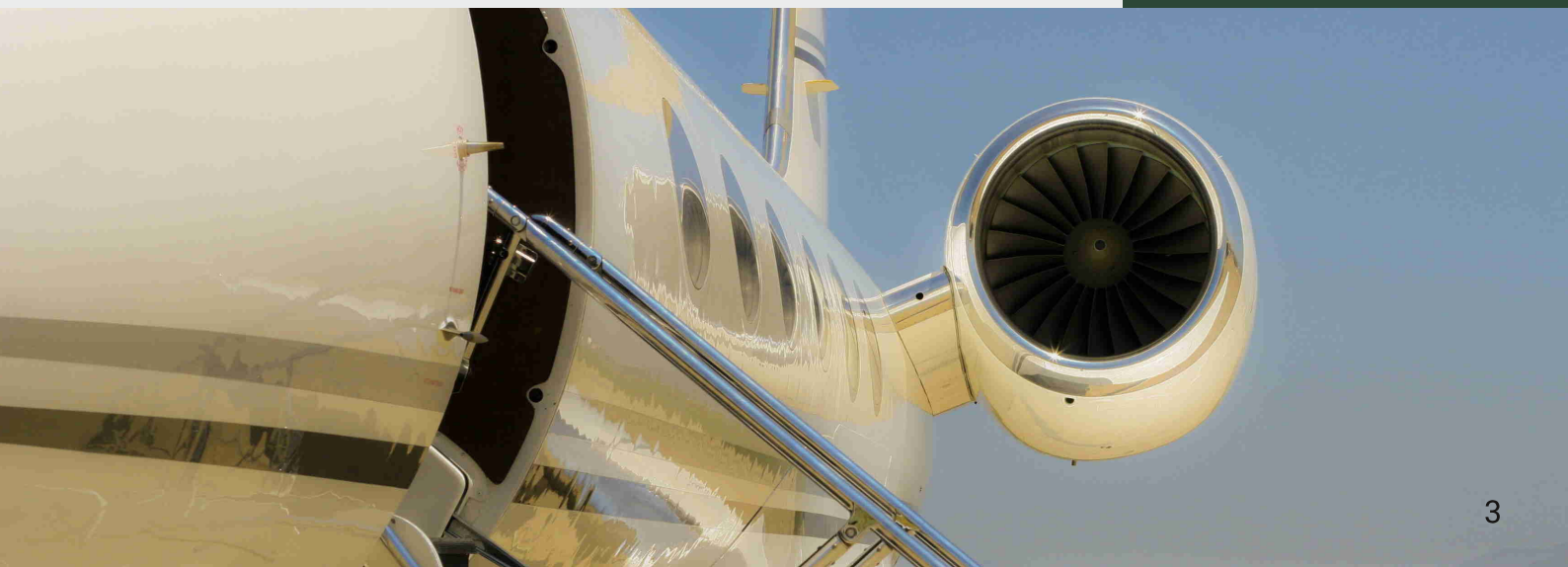
I hope you find this guide useful in determining whether you are in compliance with APD. Please do not hesitate to contact us if you have any questions or would like to discuss your specific requirements.

Yours sincerely,

Tobias Konik

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”APD applies to both commercial and non-commercial operations”

”Tech stops are exempt under certain conditions”

Regulation

What is APD?

APD is an excise duty levied on the carriage of passengers from a UK airport.

Who is concerned?

It applies to both commercial and non-commercial aircraft operators of fixed wing aircraft with an authorized weight of more than 5.7 metric tonnes (12,500 lbs).

Obligations under the regulation

Aircraft operators must submit a declaration and make payment of APD within 7 days of the flight taking place.

Aircraft operators which are likely to make more than twelve flights a year from UK airports, or with an annual APD liability of more than £5,000 must:

- appoint a fiscal or administrative representative if the operator has no business or other fixed establishment in the UK
- register within seven days of a chargeable flight taking place
- submit APD returns on a monthly or annual basis
- make payments of APD by the 29th day immediately following the end of the accounting period to which the return relates
- notify changes of registration details
- keep records and accounts for six years

Rates and Costs

Rate Structure

The amount due per passenger depends on the aircraft (authorized weight, seat pitch, seating capacity) and the geographical distance of the capital city of the destination country/territory from London, UK. The combination of distance and aircraft characteristics makes six different rates of duty in total.

The highest rate (£ 438 per passenger) is due if 1) the distance is over 2000 miles and 2) the aircraft has a MTOW of more than 20 tonnes and is equipped to carry fewer than 19 passengers. Passengers are charged at the lowest rate of £ 13 if the seat pitch is less than 40 inches, the distance is below 2000 miles and the aircraft used does not meet the criteria of a larger business jet, as defined above.

The complete APD rate table is available on:
<http://www.hmrc.gov.uk/rates/apd.htm>

Example

Carrying five passengers from London to New York on board a Gulfstream G550 costs £2,190.00 for a single flight.

“Higher APD rates for flights to destinations in the Middle East or the Americas”

“APD costly for operators of bigger business jets”

How FCC Aviation can help?

FCC Aviation acts as **agent, administrative or fiscal representative** for aircraft operators who are required or choose to register for APD.

A Truly Complete Service

We offer full protection from UK APD by taking over all management related and administrative tasks that are necessary to bring your flight department into full compliance with the Finance Act 1994.

Our compliance support includes:

- Acting as single point of contact for tax matters
- Representing your flight department as agent, administrative or fiscal representative
- Registration for tax
- Review and cross-check of aircraft and flight data
- Preparation and submission of tax returns
- Payment of tax on client's behalf (subject to prior approval)
- Issuing tax statements with tax broken down by tail and flight
- Year-round expert advice and assistance



Contact

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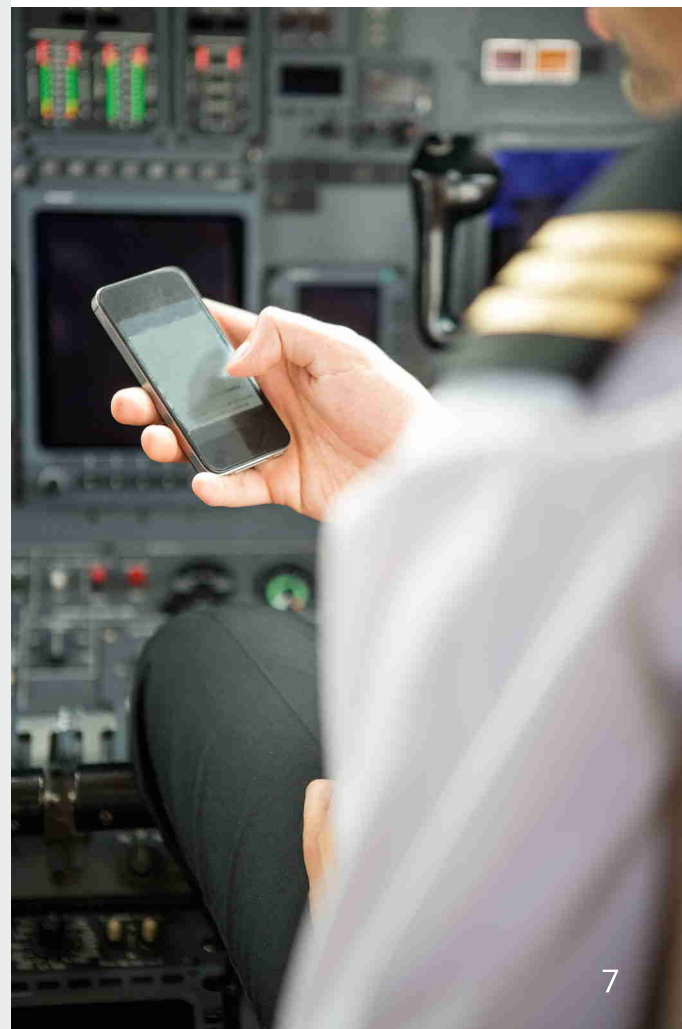
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Contact us
and obtain a
free UK APD
compliance
check



Disclaimer

The 'UK Air Passenger Duty - Compliance Guide for Business Aircraft Operators' seeks to give commercial and non-commercial business aircraft operators as what is considered by FCC Aviation to be the most relevant information about the UK Air Passenger Duty. In particular, it targets aircraft operators who are not aware of the applicable rules and regulations.

Please note the compliance guide is not a legal binding document. The law on APD and its interpretation by Her Majesty's Revenue and Customs (HMRC) always takes precedence. First Choice Carbon LTD t/a FCC Aviation disclaims all liability and responsibility for any error or omissions. We cannot guarantee the completeness, accuracy and timeliness of the information found in this document. None of the information constitutes any professional advice or service.