



25 November 2022

To:

**Mrs. Sigrid Kaag**, Minister of Finance

E-mail : [m@minfin.nl](mailto:m@minfin.nl)

In copy:

**Mr. Mark Harbers**, Minister of Infrastructure and Water Management

E-mail : [DBO-min@minienw.nl](mailto:DBO-min@minienw.nl)

Subject: Increase of Dutch aviation tax

Dear Mrs. Kaag,

We, the undersigned associations, are writing to you on behalf of our members and representing the aviation sector to raise our strong concerns regarding your decision to triple the air ticket tax in the Netherlands from currently EUR 7.95 to EUR 26.43 as of 1 January 2023 for departing passenger.

We are following up on our previous letter dated 25 April 2022 which, unfortunately, remained unanswered. The air transport sector makes a major contribution to the Netherlands' economy, supporting 306,000 jobs, 3.2% of GDP, and USD 25 billion gross value-added contributions to the Dutch GDP. Passenger traffic in the Netherlands, which was heavily impacted by the global pandemic, is currently recovering, but levels are still 15% below 2019.

The proposed tax could reduce the benefits that aviation creates, including a loss of **approximately USD 5 billion in GDP and 62,000 jobs**.

An aviation tax of EUR 26.43 represents **25% of the average fare for flights within Europe, and 7% for flights outside of Europe**.

This will damage the dynamism of the Dutch economy and its international influence, which largely depend on the global air connectivity of the Netherlands.

Airlines understand the challenges the Dutch authorities are facing, including the quality of the living environment, and the development of the hub function of Schiphol airports and surroundings. The global climate change challenges do not need persuasive or punitive policies like the imposition of taxes to motivate change: as you undoubtedly know, the aviation sector is fully committed to decarbonization as a global industry, reducing the carbon footprint of air transport, and notably achieving net-zero carbon emissions from operations by 2050. The sector welcomed the Long-Term Aspirational Goal (LTAG) agreement at the ICAO General Assembly that supports this objective. We stand ready to further meet with you and your teams to go through additional details of the industry roadmap to achieve its climate targets.

Aviation is not the enemy; CO2 is. Achieving aviation decarbonization requires a combination of measures we urge the Dutch Government to promote. These include affordable Sustainable Aviation Fuels; Market-based measures to address emissions until technological solutions are fully developed; implementing the EU's Single European Sky initiative; and investment in new clean technologies.



As mentioned in our previous letter, we would like to remind the industry's position regarding best practices to be followed by Governments in implementing ticket taxes: any new aviation taxes, fees, or charges (or amendments thereto) should be officially published by the Government or other competent national authority **at least four (4) months before its effective date**, allowing airlines to initiate the tax collection for flights operated from a determined date. New implementations, as well as changes to taxes, fees, and charges with **retroactive effect, cannot be accepted** in accordance with consumer rights guidelines across jurisdictions.

Concretely in the case of the Netherlands, tickets sold during 2022 until the official publication of the tax amendment for flights taking place on any date as of 1 January 2023 do not include the tax (in the absence of legal grounds at the time of sale, i.e., absence of formal publication of the law).

Considering that the tickets sold during 2022 until the official publication of the tax amendment do not include the corresponding tax code, airlines should not be liable for passing on to the State the corresponding expected revenue. As referred previously, under several jurisdictions' consumer rights guidelines, the intended tax amendment with retroactive effect cannot be accepted.

Again, one possible solution to overcome this, is for the time intermediating the publication of the official regulation by the Dutch Government and its effective date of application to be of at least four (4) months<sup>[1]</sup>.

According to the aviation industry guidance and best practices we already had the chance to share with you, if the Dutch Government expects the tax to apply to flights operated from 1 January 2023, the official regulation should have been published no later than 1 September 2022. As from such a publication date, airlines would be able to apply the tax to any flights operated from January 2023, but not to flights operated in 2022.

Finally, and of outmost relevance, the sector expects the proceedings of the tax to be fully invested within the sector and contribute to airlines' transition to greener aviation, such as through incentivizing the production and use of Sustainable Alternative Fuels.

We thank you for your attention and welcome the opportunity to provide additional information at your earliest convenience.

Yours sincerely,

Rafael Schwartzman  
Regional Vice President Europe  
International Air Transport Association

Marnix H Fruitema  
Chairman  
BARIN

Thomas Reynaert  
Managing Director  
Airlines for Europe - A4E

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<sup>[1]</sup> The International Civil Aviation Organization's (ICAO) indication is a minimum of 4 (four) months prenotification, according to ICAO Doc 9082 (ninth edition) paragraphs 17 to 22 of Section I. IATA's recommendation is aligned, strongly recommending that any changes to taxes, charges, and fees, or any new implementations should be announced and formally published at least 4 (four) months in advance.