



Airlines for America®

We Connect the World

February 5, 2018

Members of the Georgia General Assembly
State Capitol
Atlanta, GA 30334

Members of the Georgia General Assembly:

Airlines for America (A4A)¹ is the oldest and largest trade association of domestic passenger and cargo airlines.

We appreciate the pro-business environment fostered in Georgia thanks to the work of the Georgia General Assembly and Governor Deal. We are very supportive of Governor Deal's legislative proposal included in House Bill 821 that would eliminate the state sales tax on jet fuel in Georgia. Uncharacteristically for a state which generally prides itself on its pro-growth economic policies, Georgia currently has a high jet fuel sales tax burden compared to other states with a major airline hub. If HB 821 were enacted into law, we believe that while our member airlines would see an immediate financial benefit, the state of Georgia would also see long-term benefits in the form of more flight options, lower fares, and greater opportunity for growth. Our airlines that serve Georgia are proud of the role we play in bringing economic development to the state and we all hope to see Georgia grow. More economic growth means more passengers and cargo, and that means more flights to serve those customer needs.

If you are hesitant to believe that the tax on jet fuel can have an impact on growth, look no further than North Carolina, which saw a 4 percent growth in flights in and out of the state the year following elimination of the state's jet fuel tax. While there are myriad factors that drive such growth, North Carolina and other states have put themselves in the strongest position possible to attract new service by eliminating the jet fuel tax altogether.

All airlines, just as all businesses, make decisions based on cost. Fuel is the second highest cost for our airlines. Oil prices are rising again, and with the state's sales tax tied to price, our taxes increase as well. Removal of the tax will help us grow in your state.

¹ A4A members include: Alaska Airlines, Inc., American Airlines, Inc., Atlas Air, Inc., Federal Express Corp., Hawaiian Airlines, JetBlue Airways Corp., Southwest Airlines Co., United Continental Holdings, Inc., and UPS Airlines; Air Canada is an associate member.

Please support HB 821, not just to help the aviation industry in Georgia, but to help those companies that use the air industry to connect with the world.

Sincerely,

A handwritten signature in blue ink, appearing to read 'Sean Williams', with a stylized, cursive script.

Sean Williams

Vice President, State and Local Government Affairs

swilliams@airlines.org