



October 3, 2007

The Honorable Andrew B. Steinberg  
Assistant Secretary for Aviation and International Affairs

The Honorable D.J. Gribbin  
General Counsel

U.S. Department of Transportation  
Office of the Secretary  
1200 New Jersey Ave, SE  
Washington, DC 20590

**Re: Tincum Township "Privilege Fees" at PHL International Airport**  
DOT Docket Number OST-2007-29341

Dear Mr. Steinberg and Mr. Gribbin:

The International Air Transport Association (IATA) – which is the leading international trade organization for the scheduled airlines of the world – has learned that the Township of Tincum, Delaware County, Pennsylvania, is attempting to impose a “privilege fee” on airlines for the use of the runways at Philadelphia International Airport (PHL). IATA fully supports the opposition to this unwarranted and unlawful fee raised by the Air Transport Association of America, Inc. (ATA) and the airlines operating at PHL in the Petition for Declaratory Order filed with the DOT on September 24, 2007, and in the litigation pending before the U.S. District Court for the Eastern District of Pennsylvania.

The Tincum “privilege fee” is in direct violation of federal law (the Anti-Head Tax Act (AHTA), 49 U.S.C. 40116). Non-proprietor, local authorities are not permitted to impose taxes on airline operations at an airport. The fee also violates the Policies and Principles which are part of the Chicago Convention of the International Civil Aviation Organization (ICAO) to which the United States is a signatory State.

ICAO’s policy on charges (Doc. 9082) states: *“The Council recommends that States: Permit the imposition of charges only for services and functions which are provided for directly related to, or ultimately beneficial for, civil aviation operations.”* The Township provides no “service or function” in direct relation to the airport yet the availability of an airport has significant economic and social benefits for the Township and already generates significant revenues as a result.



Currently airports, responsible for the actual operation and safety of the facilities, are bound by federal statutes, policies and grant assurances they made to the Federal Aviation Administration in exchange for receipt of federal funding, all of which place significant limits on the amount the airports can charge airlines for landing fees and other facilities and services. If the Township's fee was to remain in place, it would significantly increase the cost of operation for airlines and eventually their passengers at PHL, without adding any infrastructure or contribution to safety and operational efficiency at the Airport. We are equally concerned that allowing this fee to stand could set a dangerous precedent for U.S. and international airlines both in the U.S. and around the world.

We urge the Department to grant the Petition for Declaratory Order in an expeditious manner and rule that the Tinicum "privilege fee" is unlawful.

Sincerely,

A handwritten signature in cursive script that reads "Douglas E. Lavin".

Douglas E. Lavin  
Regional Vice President, North America  
IATA

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cc: IATA Member Airlines  
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Nancy Kessler, Senior Attorney