

# FRENCH AVIATION INDUSTRY TO FACE 1 BILLION EUROS OF ADDITIONAL TAXES



The French aviation industry is anticipating an additional tax of one billion euros as part of the 2025 finance bill. Pascal de Izaguirre, president of the National Federation of Aviation and its Professions (FNAM), stated that the information is reliable and confident, causing concern among aviation professionals. He mentioned that the sector is in shock and expressed worry about the impact of such a tax on airlines, stating that they would not be able to absorb the financial blow.

The cost increase should be reflected in ticket prices, but this will negatively impact mobility and accessibility of air travel in France. According to Mr. de Izaguirre, the **specific details of the tax increase, which aims to generate one billion euros in revenue, have not yet been finalized.**

This will involve a threefold increase in the proceeds from the solidarity tax on airline tickets (TSBA), which currently stands at 460 million euros. More contributions will be required from "business" or long-haul passengers, and there will be greater emphasis on using business aviation.

Mr. de Izaguirre expressed concern about France being one of Europe's most heavily taxed countries, especially the French aviation industry. Experts fear that increased tax pressure will make French carriers less competitive compared to foreign airlines, negatively affecting France's appeal as a travel destination. In contrast, neighboring countries like Spain and Italy have reduced air travel taxes to attract more tourists.

Experts criticize the lack of impact studies, stating that experts are surprised by this oversight. It's believed that **assessing the economic impact on companies is essential before implementing such tax policies.**

Prime Minister Michel Barnier aims to decrease the deficit to 5% of the country's GDP by 2025, compared to the anticipated 6% in 2024. He also plans to bring it below the 3% ceiling by 2029, in line with France's European commitments. He stated this during his general policy statement last week, emphasizing that two-thirds of the effort would come from reducing expenditures.

Date: 2024-10-07

Article link:

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