

## Italy takes aim at its foot with new aviation 'luxury' tax

Italy has introduced a new 'luxury tax' on private aircraft which will have a serious impact on the aviation industry and is likely to cost the country more than it brings in revenue. The new tax will be levied on a sliding scale from € 1.5 per kilogram per year for aircraft under 1,000 kgs to € 7.55 per kg for aircraft over 10,000 kg, with helicopters paying double. While the tax will further depress aircraft ownership in Italy, it could affect every pilot in Europe because it applies to any private aircraft, of any nationality, which remains on Italian territory for 48 hours or more. Not only does that make visiting Italy expensive, but even passing through the country becomes risky. A weather delay, a mechanical problem, or industrial action by ATC could land the transiting pilot with a tax bill running into thousands of Euros.

Massimo Levy of AOPA Italy says: "It looks like they really want to put an end GA in this country. Can you imagine an English tourist with a private plane being obliged to pay a 3,500 'luxury tax' at the end of his long weekend in Italy? Or the American businessman arriving with his Citation, remaining for more than two days?

"What will happen now to Italian GA? I have no idea. It looks like we really might have reached the end of the road."

AOPA Italy has spoken with a number of politicians making it clear that while aircraft owners should contribute at what is seen to be a time of national emergency, the levels of tax were so excessive that they would cripple the industry and therefore produce less revenue than they would if they were set at more sensible levels. Political promises of alleviation have come to nothing.

The new taxes, imposed under a decree named 'Save Italy' which also raises the pension age by five years, hit almost everything but are particularly heavy on items such as cars over 250 hp, boats more than 10 meters long, and all aircraft. While boats and cars enjoy a discount on the basis of the age, after 20 years a boat pays only 50% of the tax and a car does not pay at all, aircraft pay the full amount indefinitely. Airlines, charter and aerial work operators are exempt from the tax, as are government, police and military aircraft. Others must pay annually:

Up to 1,000 kg MTOW , € 1.50 per kg

Up to 2,000 kg MTOW , € 2.50 per kg

Up to 4,000 kg MTOW , € 4.25 per kg

Up to 6,000 kg MTOW , € 5.75 per kg

Up to 8,000 kg MTOW , € 6.65 per kg

Up to 10,000 kg MTOW, € 7.10 per kg

Over 10,000 kg MTOW , € 7.55 per kg

Helicopters must conform to this weight scale but pay double the amounts. Gliders, motor gliders, gyroplanes and balloons will pay a fixed € 450 per year.

The application of these tax rates to foreign aircraft will discourage aerial tourism, but Massimo Levy wonders whether anyone will really notice. "Italy already extends poor hospitality to foreign GA airplanes, with all its airspace and airport regulations and charges," he says, "so possibly no-one will notice that the trade has all gone, unless something happens like a foreigner refusing to pay and the authorities impounding an aircraft. Something like this would make a lot of bad publicity to the country.

"Perhaps AOPA members will consider writing to the Italian embassy in their respective countries pointing out that Italy will lose more than it gains by this."

**Peter Schmidt**  
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