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November 8, 2010

The Honorable Dick Traini Chair, Anchorage Assembly P.O. Box 196650 Anchorage, AK 99519-6650

Re: Assembly Agenda Item 14.H. - Ordinance No. AO 2010-81

Dear Chairman Traini:

The Aircraft Owners and Pilots Association (AOPA) represents the general aviation interests of 405,000 members, more than two-thirds of the nation's pilots – including 4,792 of our members in the state of Alaska. On behalf of our membership, AOPA is committed to ensuring the future viability and development of general aviation airports and their facilities as part of a national transportation system. Doubling the aircraft registration tax as outlined in Section 14 of Ordinance No. AO 2010-81 does not contribute to that at all. <u>AOPA is strongly opposed to this tax increase</u>.

This increase is discriminatory and capricious as aircraft owners are being asked to pay double what other owners of non-commercial transportation do in registration taxes. Additionally, aircraft owners are not afforded the same reduction in taxes based on the age of their aircraft that is given to owners of non-aircraft transportation.

Furthermore, aircraft owners within the Municipality of Anchorage already pay for the operation of the airports they are based at through a combination of taxes, fees, and other airport charges, including property taxes on hangars and other property located on the airport. Aircraft owners receive no direct benefits from the aircraft registration tax.

Doubling the aircraft registration tax, on top of current property taxes and other fees charged to use airports could cause aircraft owners to move their aircraft outside the municipality, resulting in a negative impact on businesses, fuel sales and maintenance facilities, leading to an <u>overall</u> reduction of <u>property tax</u> now paid on hangars and other aviation related property.

We respectfully urge the Assembly to not double the aircraft registration tax and to keep it at its current rate. Thank you for your consideration of our views on this issue.

Sincerely,

John L. Collins

Manager

Airport Policy