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## **IRS Announces 2011 Air Transportation Tax Rates**

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WASHINGTON — The Internal Revenue Service today announced the 2011 inflation adjustments to the excise taxes on air transportation.

Excise taxes apply to the domestic segments of taxable air transportation and to the use of international air facilities. The Airport and Airway Extension Act of 2010, Part IV, signed into law on Dec. 22, 2010, extends these excise taxes to air transportation that begins or is paid for no later than March 31, 2011.

## These excise taxes are adjusted annually for inflation:

- For 2011, the excise tax on the domestic segment of taxable air transportation is \$3.70, unchanged from 2010.
- The excise tax for 2011 for international flights that begin or end in the United States is \$16.30, up from \$16.10 in 2010.
- The tax on use of international air facilities also applies at a reduced rate to departures of interstate flights that begin or end in Alaska or Hawaii. For 2011, the international air facilities tax on these flights is \$8.20, up from \$8.10 in 2010.

The new rates take effect Jan. 1, 2011.

Further details pertaining to the excise taxes on air transportation can be found in <u>Form 720</u>, Quarterly Excise Tax Return, and its <u>instructions</u>.