



OLR RESEARCH REPORT

July 17, 2012

2012-R-0317

AIRPORT ACCESS TAX

By: Rute Pinho, Associate Analyst

You asked (1) for an explanation of the “airport access tax” charged by off-airport parking companies at Bradley Airport and (2) whether the tax applies to add-on services (e.g. car washes and oil changes) provided by these companies.

The tax is related to the airport access fees Bradley Airport charges companies conducting business on airport grounds. The fees, listed in Attachment 1, apply not just to airport parking companies, but to various companies conducting a service for airport users or businesses, including car rental, hotel courtesy shuttle, taxi, charter bus, and livery companies.

According to Jeffrey Stewart, Director of Leasing for the Department of Transportation’s Bureau of Aviation, the companies typically pass along the cost of these fees to customers by adding an “airport access tax” to bills. The companies impose the tax on the customer’s total charges for goods and services purchased at the airport, including any add-on services purchased.

The access fee for airport parking companies is currently 8% of gross receipts and is scheduled to increase to 10% on July 1, 2013. The fee was set by the Connecticut Airport Authority (CAA), which has broad authority to set rates, fees, rents, and charges on people and entities that

use the state's airport facilities (PA 11-84, codified at CGS § [15-120ii](#)). Under prior law, the Department of Transportation set the fees, subject to a statutory 4% cap (CGS § 15-[101m](#)).

RP:ro

Attachment 1

AGREEMENT & PAYMENT INFORMATION					
AGREEMENT	AGREEMENT TERM	AGREEMENT YEAR	AVI PER-TRIP FEE	OTHER PAYMENTS & FEES	
Car Rental:					
<i>On-Airport Agreement</i>	Commencement Date is defined as "first day of the 2 nd month following the date the Attorney General signs the agreement."	See Other Payments & Fees →	N/A	See Excel spreadsheet for rental payments and MAG's.	
<i>Off-Airport Agreement</i>	Commencement Date is defined as "first day of the 2 nd month following the date the Attorney General signs the agreement."	See Other Payments & Fees →	N/A	See Excel spreadsheet for rental payments and MAG's.	
Charter Bus	07/01/2012-06/30/2017 120-day Option to Extend	Fee applicable thru entire term	\$18.00	\$150 Administrative Fee	
Courier & Luggage-Baggage	07/01/2008-06/30/2013	08-09	\$1.75	\$150 Administrative Fee \$35 Annual Permit Fee	
		09-10	\$1.75		
		10-11	\$2.00		
		11-12	\$2.00		
		12-13	\$2.25		
Hotel/Motel Courtesy Shuttle	11/01/2009-06/30/2014 (This agreement commenced November 1 st because previous agreement was extended for 120 days)		<5 Miles	⇒5 Miles	\$150 Administrative Fee \$35 Annual Permit Fee
		11/01/09-06/30/10	3.75	3.25	
		07/01/10-06/30/11	4.00	3.50	
		07/01/11-06/30/12	4.25	3.75	
		07/01/12-06/30/13	4.50	4.00	
		07/01/13-06/30/14	4.75	4.25	
Limousine	07/01/2010-06/30/2015	07/01/10-06/30/11	\$3.75	\$150 Administrative Fee \$35 Annual Permit Fee	
		07/01/11-06/30/12	\$4.00		
		07/01/12-06/30/13	\$4.25		
		07/01/13-06/30/14	\$4.50		
		07/01/14-06/30/15	\$4.75		

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AGREEMENT	AGREEMENT TERM	AGREEMENT YEAR	AVI PER-TRIP FEE	OTHER PAYMENTS & FEES
Taxicab	07/01/2008-06/30/2013	07/01/2008-09/30/2008 <i>Or when the new taxi rates established by the Regulatory Division of the Bureau of Public Transportation take effect, whichever occurs first.</i>	\$2.25	\$150 Administrative Fee \$35 Annual Permit Fee
		10/01/2008-12/31/2010	\$3.00	
		01/01/2011-06/30/2013	\$3.25	
Valet – see Vinnie Dellmartino	07/01/2012-06/30/2017	AGREEMENT YEAR	% OF GROSS RECEIPTS	No other fees apply
		07/01/2012-06/30/2013	8%	
		07/01/2013-06/30/2017	10%	

CAR RENTAL COMPANIES – MAG'S

Agreement Year	HERTZ	AVIS	ALAMO-NATIONAL	ENTERPRISE	BUDGET	DOLLAR	THRIFTY
05/01/2012-04/30/2013	1,988,500	1,330,000	924,386	704,854.60	619,970	270,000	50,000
05/01/2012-04/30/2014	2,397,600	1,364,000	933,620	715,754.40	636,550	270,000	50,000
05/01/2014-04/30/2015	2,686,600	1,404,000	942,956	726,654.30	663,100	270,000	50,000
05/01/2015-04/30/2016	2,710,600	1,461,000	952,386	737,554.10	680,779	275,000	50,000
05/01/2016-04/30/2017	2,818,700	1,519,000	961,910	748,617.40	708,035	275,000	50,000
TOTAL	12,502,000	7,078,000	4,715,248	3,633,435	3,307,425	1,365,000	250,000

Companies pay 10% of Gross Receipts or MAG, whichever is greater.
 Additionally, collection of Customer Facility Charges (CFC's) effective 11/01/2009 in the amount of \$3.50 per Transaction Day

Service Center Site Rental Payments		
	Annual Rent	Total for 6 yrs.
Hertz	\$153,612.00	\$768,060.00
Avis	\$106,448.80	\$532,244.00
National & Alamo	\$108,024.80	\$540,124.00
Enterprise	\$105,728.60	\$528,648.00
Total	\$473,814.20	\$2,369,076.00