

These notes refer to the Air Passenger Duty (Setting of Rate) Act (Northern Ireland) 2012 (c.5) which received Royal Assent on 11 December 2012

Air Passenger Duty (Setting of Rate) Act (Northern Ireland) 2012

EXPLANATORY NOTES

CONSULTATION

7. The Northern Ireland Executive consulted on its commitment to eliminate APD on direct long haul flights as part of its wider consultation on the Programme for Government, which was launched on 17 November 2011. No comments were received on this commitment. The Programme for Government was subsequently agreed and published on 12 March 2012.
8. The UK Government launched a consultation on APD in March 2011, which included a question on whether APD should be devolved to Northern Ireland. That consultation closed on 17 June 2011 and the Department of Finance and Personnel submitted a response (<http://www.dfpni.gov.uk/dfp-response-to-apd-consultation.pdf>). In total around 100 responses commented on the broader issue of APD and devolution (across the UK) including 26 responses from interested parties in Northern Ireland. This included nine district councils, Chambers of commerce, representatives of the local airports, political representatives and tourist organisations.
9. In relation to Northern Ireland, stakeholders highlighted the lack of alternative road or rail travel options to Britain and the competition effects of substantially lower rates of duty in the Republic of Ireland, which they considered to threaten the viability of direct services between Belfast and long haul destinations including the United States.
10. On 28 May 2012, the Assembly agreed that provisions in section 189 of, and schedule 23 to, the Finance Act, as introduced in the House of Commons on 10 May 2012 dealing with the devolution of Northern Ireland long haul rates of APD should be considered by the UK Parliament.