

# Guide to Air Passenger Duty



Sainsbury's Bank

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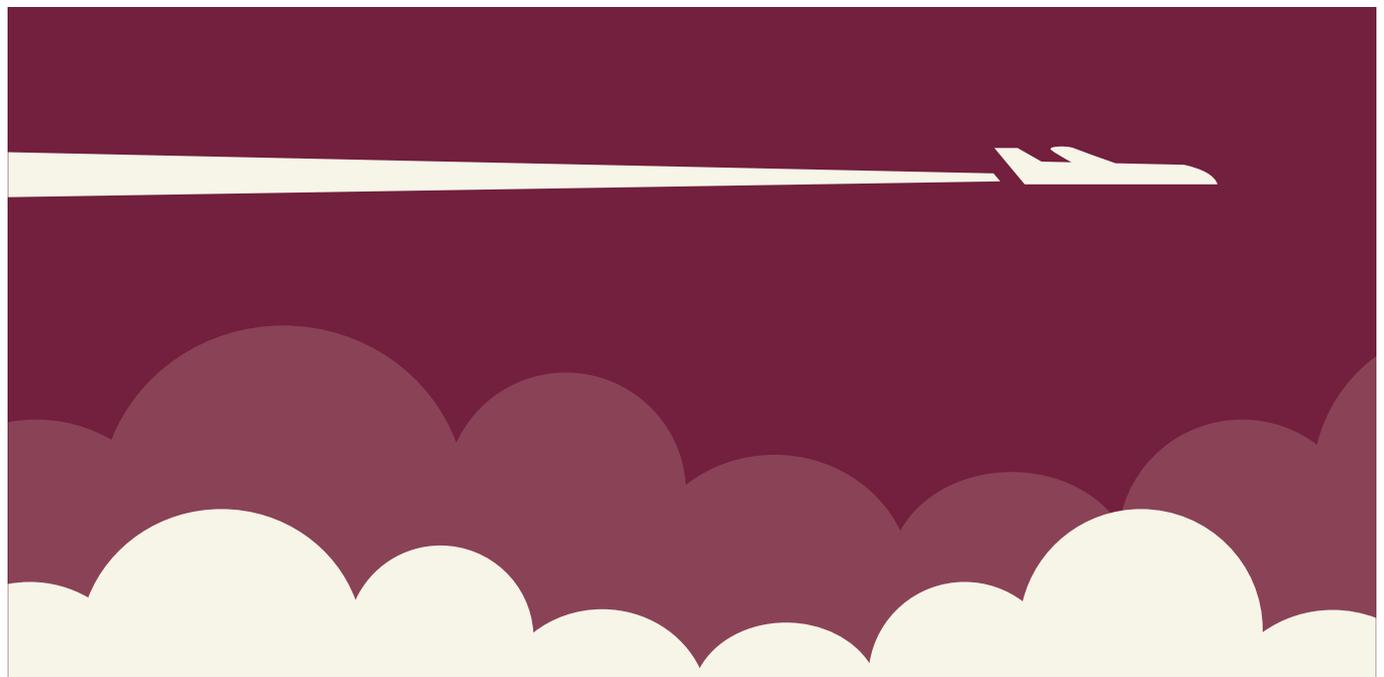
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## What is Air Passenger Duty?

Flying: It gives us the freedom to reach far-flung places, visit relatives around the globe and enjoy short city breaks with minimal travel time.

The price of this freedom includes Air Passenger Duty (APD); a tax paid on any flight leaving a UK airport, whether to a domestic or overseas destination.

Air Passenger Duty was introduced in 1994 with a rate of £5 for UK and EU flights, and £10 for all other destinations. Until recently there were four bands, but in April 2015 they were reduced to two.



The HM Treasury explains the [following information about APD](#):

- As of 1 April 2015, there are two APD bands, determined by the distance between London and the capital of your destination country.
- The APD rate you pay depends on which band your flight falls under and the class of travel that you choose.
- There are three rates of APD for each destination band - reduced, standard and higher - determined by the class of travel.
- The UK rules for APD do not apply to [flights from Northern Ireland](#).

## Changes to APD

On the 1st of April 2015, [Air Passenger Duty bands were reduced from four to two.](#)

The purpose of these changes was to lower the cost of travelling to many emerging markets, such as China, India and Brazil.

Recent years have seen increases to the APD rates. A group of almost 30 travel organisations are running an ongoing campaign called '[A Fair Tax on Flying](#)', advocating a review of the tax.

## How does APD affect you?

The rates and bands below apply to flights leaving England, Scotland and Wales. There is also a separate table with bands and rates if you are travelling from Northern Ireland.

### APD rates and bands

Information in tables from [HMRC](#).

Bands (approximate distance in miles from the UK)	Reduced rates (lowest class of travel)	Standard rates (other than the lowest class of travel)	Higher rates
	<b>From 1 April 2015</b>	<b>From 1 April 2015</b>	<b>From 1 April 2015</b>
Band A (0-2,000)	£13	£26	£78
Band B (Over 2,000)	£71	£142	£426
	<b>From 1 April 2016</b>	<b>From 1 April 2016</b>	<b>From 1 April 2016</b>
Band A (0-2,000)	£13	£26	£78
Band B (Over 2,000)	£73	£146	£438



Example destinations:

- Band A includes local UK destinations, along with places like France, Spain, Croatia, Turkey and the Canary Islands
- Band B takes you to places like Egypt, the USA (including Hawaii), Canada, Mali, Pakistan, China, South Africa, Caribbean islands (like Barbados and Cuba), India, the Maldives, South American countries like Brazil, as well as Australia and New Zealand

**The reduced rates** in the above table apply where passengers are in the lowest class of travel, unless the seat pitch exceeds 1.016 metres (40 inches). In the latter scenario, standard rates apply whether or not there is more than one class of travel.

**Standard rates** apply where passengers are flying in any class of travel, except where reduced or higher rates apply.

**The higher rate** applies if passengers are travelling on an aircraft with an authorised take off weight of 20 tonnes or more, equipped to carry fewer than 19 passengers.

Source: [HMRC](#)

## Northern Ireland rates and bands

In 2012, the Northern Ireland Assembly gained the right to determine Northern Ireland’s own direct long haul air passenger tax rates. As of January 2013, rates for any direct flight from Northern Ireland to destinations in Band B were set to £0. Northern Ireland rates for indirect flights and direct flights to destinations in Band A are outlined below.

Destination Bands and distance from London (miles)	Direct flight rates (reduced/ standard/ higher)	Indirect flight rates (reduced/ standard/ higher)
	<b>From 1 April 2015</b>	<b>From 1 April 2015</b>
Band A (0-2,000)	£13 / £26 / £78	£13 / £26 / £78
Band B (Over 2,000)	£0 / £0 / £0	£71 / £142 / £426
	<b>From 1 April 2016</b>	<b>From 1 April 2016</b>
Band A (0-2,000)	£13 / £26 / £78	£13 / £26 / £78
Band B (Over 2,000)	£0 / £0 / £0	£73 / £146 / £438

A complete [list of bands and related destinations](#) is available on the HMRC website.

## Connecting flights

For connecting flights, APD is determined by the original departure location. For example, if you depart from London and connect flights in Paris, then continue to New York, APD will be payable for the entire journey, from London to New York.

However, if you stop over in your connecting location for more than 24 hours, your onward flight will not count as connected. So, using the above example, if you stop in Paris for more than 24 hours, you would pay APD on the flight from London to Paris, but not on your flight from Paris to New York.

## Is Air Passenger Duty refundable?

Yes – but, as always, check with the individual airline. If you miss or cancel a flight, [you can claim the tax back](#). Each airline has its own policy and some charge an admin fee. [In the event of any flight disruptions](#), such as delays, over-bookings or cancellations, you could also be entitled to assistance and / or financial compensation from the airline.

If you are travelling with children, note that [APD for under 12s was removed on 1 May 2015](#). If you bought tickets for under 12s before 1 May 2015, for a flight departing on or after that date, [you should be entitled to an APD refund](#). APD for under 16s is due to be removed in May 2016.

## Who is exempt from Air Passenger Duty?

- Children under two years of age who do not have their own seat are exempt.
- From 1 May 2015, children under 12 in the lowest class of travel are not chargeable.
- From 1 May 2016, children under 16 in the lowest class of travel are not chargeable.
- Short pleasure flights are exempt, providing they last no more than 60 minutes.
- Those passing through a UK airport from an international destination to another international or UK destination.

Passengers on flights departing from airports in the Scottish Highlands and Islands are also not subject to airport tax. Departure locations include:

- The Highland Region, Western Isles Islands Area, Orkney Islands Area, Shetland Islands Area, Argyll and Bute District, Arran, Great Cumbrae and Little Cumbrae
- In the Moray District, the parishes of Aberlour, Cabrach, Dallas, Dyke, Edinkillie, Forres, Inveravon, Kinloss, Kirkmichael, Knockando, Mortlach, Rafford and Rothes

- 1) <https://www.gov.uk/government/publications/excise-notice-550-air-passenger-duty/excise-notice-550-air-passenger-duty>
- 2) [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/293853/TIIN\\_6063\\_air\\_passenger\\_duty\\_banding\\_reform.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/293853/TIIN_6063_air_passenger_duty_banding_reform.pdf)
- 3) <http://www.afairtaxonflying.org/>
- 4) <https://www.gov.uk/government/publications/rates-and-allowances-excise-duty-air-passenger-duty>
- 5) <http://www.atab.org.uk/our-campaigns/simplify-apd-refunds/how-to-reclaim-your-apd/>
- 6) <http://www.sainsburysbank.co.uk/library/default/resources/dealing-with-flight-disruption.pdf>
- 7) <http://www.moneysavingexpert.com/news/travel/2014/12/how-to-reclaim-air-passenger-duty-airline-by-airline>

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