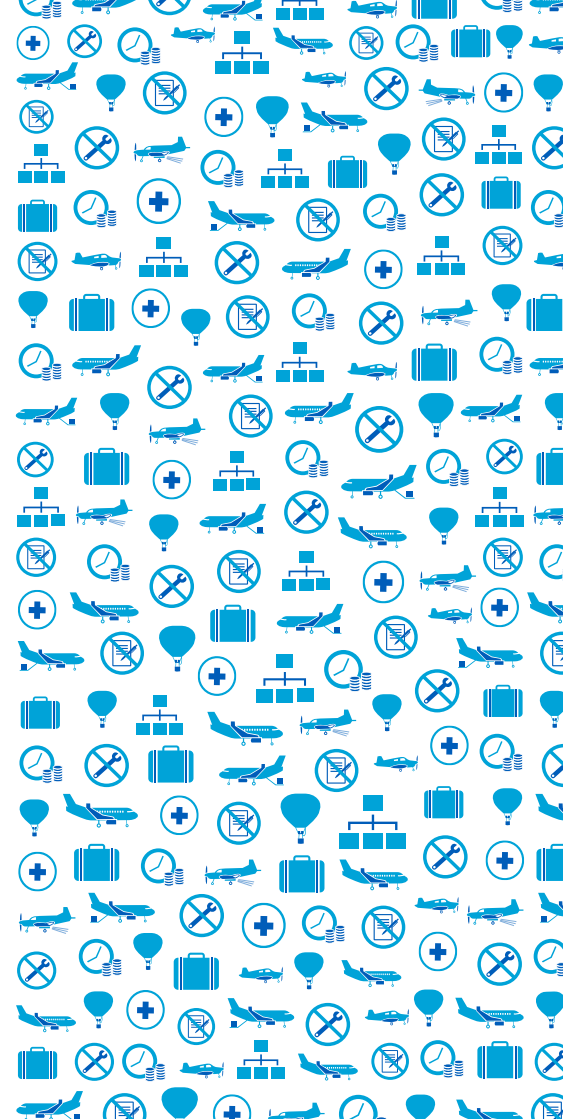


NEW FEES & LEVIES



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WHAT'S CHANGING



REMOVAL of hourly charges for most audit and inspection activity



INTRODUCE ability to suspend payment of participation levy for aircraft 'out of service' for an extended time



REMOVAL of fee for deregistration of foreign-owned aircraft from the NZ register

ALL CHANGES TAKE EFFECT FROM 1 JULY 2017



Medical certification fee REDUCED from \$272.17 to \$105.00



Domestic & international passenger safety levy will be EQUALISED TO A COMMON VALUE of \$1.60 per passenger



ACTIVITY-BASED OPERATIONS safety levies for air transport*, agriculture, freight, and adventure aviation participants

Note: All costs shown are GST exclusive

*All air transport services carrying fewer than 20,000 passengers per year under Rule Parts 121, 125 and 135

REMOVAL OF HOURLY CHARGES FOR INSPECTIONS & MONITORING

The CAA will remove hourly charges from all routine inspections and monitoring of participants in the aviation system conducted in New Zealand.

The purpose of inspections and monitoring is to give assurance that participants are meeting their obligations under Civil Aviation legislation. This is achieved through the CAA's compliance monitoring and inspection of adherence to safety and security standards by participants in the aviation system.

The amount of inspections and monitoring activity undertaken by the CAA is determined by a number of factors including the assessed risk level and the safety performance of document holders both collectively and individually.

As inspections and monitoring are predominantly a 'club' good, the cost of routine inspections and monitoring will be recovered from levy funding. However, in those circumstances where, for example, an operator is not compliant and remedial action is required, the CAA will recover cost of any necessary follow-up inspections and monitoring from the application of an hourly charge.



The purpose of inspections and monitoring is to give assurance that participants are meeting their obligations under Civil Aviation legislation.

CHANGES TO MEDICAL CERTIFICATION FEES

Medical certification has elements of private, club and public good. An effective aviation medical certification system helps ensure safety risks caused by medical incapacitation are minimised. Medical certification also enables pilots and air traffic controllers to earn a living or follow a recreational pursuit. It's important that the allocation of medical certification costs reflects the range of beneficiaries and cost exacerbators.

The reduction of the medical certification application fee, from \$272.17 to \$105.00 (GST excl), recognises that many of the services such as standards, policy and oversight, that are currently covered by this fee are of benefit to the aviation sector as a whole rather than simply the individual so the cost of these services should be recovered from levy funding.

The costs of more complex applications that require Accredited Medical Conclusions will be covered by an hourly charge at the standard rate of \$246.96 (GST excl) for all hours in excess of the first two. This ensures that each applicant pays their fair share of the costs associated with the aviation medical certification regime.



\$272.17



\$105.00

Recognising benefit to the aviation sector as a whole

STANDARDISED PASSENGER SAFETY LEVIES

Currently the domestic passenger safety levy is \$1.71 (GST excl) per passenger and the international passenger safety levy is \$1.30 (GST excl). From 1 July 2017 the domestic and international passenger safety levy will be \$1.60 (GST excl).

The ANZA passenger safety levy which applies to domestic services operated by Australian-certified airlines in New Zealand, will increase from \$1.55 (GST excl) to \$1.57 (GST excl). The discount on this levy, relative to the new domestic / international passenger safety levy, acknowledges the safety regulatory functions provided to the operator by the Australian Civil Aviation Safety Authority.



Domestic:
\$1.71
per passenger

International:
\$1.30
per passenger



Domestic and International:
\$1.60
per passenger

NEW ACTIVITY-BASED OPERATIONS SAFETY LEVIES

These new levies will apply to commercial aviation operations i.e. agricultural, adventure, freight-only and those that carry fewer than 20,000 passengers per annum.

Levies will be based on operational activity returns provided by the operator. These levies are being introduced to better reflect the cost of safety oversight and help ensure the right users are paying an appropriate amount for the oversight of different sectors and to provide a broader funding base for the Authority.

The new levies will be phased in over two years. For the first year, i.e. from 1 July 2017 – 30 June 2018, levies will be calculated on 50% of the rate for each activity. In the next and subsequent year, levies will be calculated on the full rate.



Will be based on operational activity returns provided by the operator.

OPERATIONS SAFETY LEVY AGRICULTURAL AVIATION



This levy, paid quarterly, will apply to all Part 137 Agricultural Aviation operations involved in the application of agricultural products intended for plant nourishment, soil treatment, propagation of plant life, or pest control.

HOW THE LEVY IS CALCULATED:

The levy will be paid quarterly and will be calculated on the total weight of product an operator applies per annum (based on the previous year).

TOTAL TONNES PER ANNUM

0 – 10,000

10,000- 50,000

50,000 +

2017/18

2018/19
& SUBSEQUENT YEARS

PER TONNE (GST EXCL)

\$0.44

\$0.87

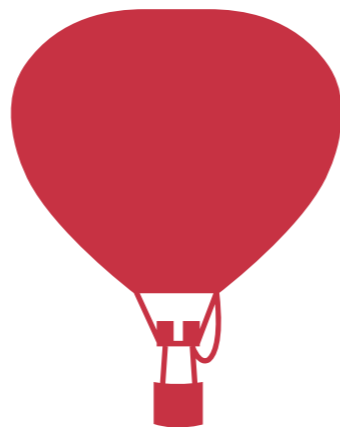
\$0.37

\$0.73

\$0.33

\$0.65

OPERATIONS SAFETY LEVY ADVENTURE AVIATION



This levy, paid quarterly, will apply to all Rule Part 115 Adventure Aviation flight operations using New Zealand registered aircraft, other than those involved in parachute deployment operations, and all Rule Part 115 Adventure Aviation – launches or descents (tandem parachute, hang glider, paraglider).

HOW THE LEVY IS CALCULATED:

A. FLIGHTS

The levy will be paid quarterly and will be based on the weight of aircraft and the hours flown.

Aircraft weighing

Less than 1,000kg MCTOW*

Aircraft weighing

Greater than 1,000kg but lighter than 2,730kg MCTOW*

Aircraft weighing

More than 2,730kg MCTOW*

B. LAUNCHES & DESCENTS

The levy for Part 115 launches or descents, paid quarterly, will be calculated at \$1.60 (GST excl) per launch or descent. This applies to tandem parachuting, hang gliding and paragliding.

* Maximum certified take off weight

2017/18	2018/19 & SUBSEQUENT YEARS
PER HOUR FLOWN (GST EXCL)	
\$1.75	\$3.50
\$2.75	\$5.50
\$4.25	\$8.50
PER LAUNCH/DESCENT (GST EXCL)	
\$0.80	\$1.60

OPERATIONS SAFETY LEVY FREIGHT- ONLY



This levy, paid quarterly, will apply to all freight-only operations under Rule Parts 121 (Large aeroplanes), 125 (Medium aeroplanes), 129 (Foreign air transport operator) and 135 (Helicopters and small aeroplanes).

HOW THE LEVY IS CALCULATED:

TOTAL TONNES PER ANNUM

0 – 10,000

10,000- 50,000

50,000 +

The levy, paid quarterly will be based on the total weight of freight carried per annum (based on the previous year).

2017/18

2018/19
& SUBSEQUENT YEARS

PER TONNE (GST EXCL)

\$1.50

\$3.00

\$1.30

\$2.60

\$1.00

\$2.00

Note: Part 129 operators conducting freight-only operations to or from New Zealand are levied only on outgoing freight.

OPERATIONS SAFETY LEVY OTHER OPERATIONS



This levy, paid quarterly, will apply to all air passenger transport services carrying fewer than 20,000 passengers per year under Rule Parts 121 (Large aeroplanes), 125 (Medium aeroplanes) and 135 (Helicopters and small aeroplanes).

HOW THE LEVY IS CALCULATED:

.....
RULE PARTS

The levy, paid quarterly, will be based on the Operating Certificate of the activity.

121 & 125

135

2017/18

2018/19
& SUBSEQUENT YEARS

PER HOUR FLOWN (GST EXCL)

\$2.75

\$5.50

\$3.25

\$6.50

HOW THE NEW **SAFETY LEVIES WILL WORK**



You will need to submit your activity return, as you are currently required to do under Rule Part 12.151 or 19.103, at the end of each quarter. An invoice, based on your return, will be sent to you and you will need to pay it within the required time period.

For more information, please visit www.caa.govt.nz/funding
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