

28 March 2011

Air Passenger Numbers

The forecast for air passenger duty (APD) receipts is based on projections of the number of passengers in each rate band, multiplied by the expected duty rates. Passenger numbers are forecast based on their historical relationship with economic variables such as GDP and household disposable income. Duty rates beyond those already announced are assumed to rise in line with RPI, and are rounded to the nearest £1.¹

The tables below set out the projections of passenger numbers which were used to produce the APD forecasts in the March 2011 *Economic and fiscal outlook*. The figure for 2009-10 is outturn data.²

Projection of passenger numbers by band (millions)

	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16
Total	96.7	93.7	94.7	98.6	102.3	106.4	110.6
<i>Of which:</i>							
Standard rate passengers							
Band A	1.1	1.0	0.6	0.7	0.7	0.7	0.7
Band B	2.8	2.1	2.2	2.2	2.3	2.4	2.5
Band C	0.6	1.1	1.1	1.2	1.2	1.3	1.4
Band D	0.2	0.4	0.4	0.4	0.4	0.4	0.5
Reduced rate passengers							
Band A	73.6	71.9	73.1	76.1	78.9	82.0	85.0
Band B	14.5	10.0	10.0	10.4	10.8	11.3	11.8
Band C	2.9	5.5	5.5	5.7	5.9	6.2	6.5
Band D	1.0	1.8	1.8	1.9	2.0	2.1	2.2

¹ HM Treasury, 2011, *Budget 2011 policy costings* (p69).

² HM Revenue & Customs, 2011, *Air passenger duty bulletin*. Available online at www.uktradeinfo.co.uk