

# Summary of Leasing Best Practices White Paper




*General Aviation Infrastructure and Investment Coalition*

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**Problem:** Investment in general aviation facilities is being inhibited today. Short-term leases at many airports do not enable fixed base operators (FBOs) to take advantage of normal commercial tax rules and lending practices regarding depreciation and amortization that incentivize investment and economic growth, therefore reducing investment or increasing costs.

**Solution:** In response to this problem, the General Aviation Infrastructure and Investment Coalition (GAIIIC) has worked with Airports Council International - North America (ACI-NA) to develop 'Best Practices' standards with airports and FBOs to facilitate long term investment through existing commercial amortization and depreciation practices and to ensure that the recommendations are utilized by airport proprietors. These efforts were successfully realized this past February, and these 'Best Practices' standards can be found in the attached white paper.

## Who We Are

-  The General Aviation Infrastructure Investment Coalition (GAIIIC) was formed to engage Congress and the airports to assist the general aviation community in driving investment and job creation.
-  The ability to expand and upgrade facilities requires a commitment from both the airport proprietors and the fixed base operators. The investment decision to inject private capital into these airports demands that existing commercial depreciation and amortization standards are recognized.
-  Many airports understand that encouraging private sector investments in facilities, such as general aviation hangars, means offering terms that best enable FBOs to utilize tax advantages that off-airport commercial investors benefit from. However, GAIIIC saw the need to reach out to the airports to discuss the unique needs of fixed base operators and the merits of leasing provisions that maximize benefits for all parties.