

A tax and its effects: the example of Chirac's tax on plane tickets

Jacques Chirac proposed the idea of taxing all passengers on planes for the benefit of developing countries to the Davos Forum in 2005, the former head of state wanted this "solidarity tax" to finance the fight against AIDS, malaria and tuberculosis. To manage the money collected, he created Unitaid.

Since 2006, travellers taking off from France must pay it, regardless of their airline. On a Paris-Marseille or a Lyon-Rome, for example, it costs each passenger €1.13 in economy class and €11.27 in business. For a flight to New York or Bangkok, the amount varies from €4.51 to €45.07 in first class. This flat-rate tax is added to the price of the ticket, and directly donated to Unitaid by the airline company.

The problem is that in ten years only seven countries (South Korea, Chile, Congo-Brazzaville, Madagascar, Mali, Niger and Mauritius) have accepted to establish it. All the others have failed to do so. As a result, the expected billions never arrived: the tax that was to revolutionise global humanitarian aid barely brings in 160 million euros per year.

For France, this Lilliputian tax weighs very heavy: by themselves, the passengers who take off from France pay 149 of the 160 million collected! "For us, this is a huge shortfall, because the device automatically increases the cost of our tickets," an officer of Air France stated, the main airline contributor with nearly 70 million euros paid every year.

Emmanuelle Andreani, "Chirac tax on plane tickets: How the French got cheated", Capital, June 1, 2015, © Prisma Média.

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