

When developing an air cargo incentive program, an airport should have clearly-defined goals, a budget, eligibility requirements for the air cargo carrier, eligibility requirements for new service and a description of incentives including a time frame. A few incentives that are currently being offered are listed in the sections below.

These first three tools are all promotions that airports may choose to do or offer.

Waived or Discounted Landing Fees

Air cargo carriers typically pay a fee to the airport for landing. The fee often varies by aircraft landing weight. Typically the larger the aircraft, the higher the landing fee. Airports can discount or waive these fees for the first year or two based on new service offered. Airports can set up stipulations for waived landing fees, based on international versus domestic service or size of aircraft. A few examples include:

- [Miami International Airport](#): Any carrier establishing scheduled, year-round cargo freighter service from Africa, Europe, or the Middle East / Gulf Region on a cargo route not currently served by an all-cargo freighter to MIA, qualifies for a 50% abatement of landing fees for a 12-month promotional period.
- [Rickenbacker International Airport \(Growth Incentives\)](#): Provides landing fee credit for year-over-year growth in charter or scheduled aircraft gross landed weight. If an operator's landed weight exceeds the previous year's landed weight for that same month the operator will receive a 25% discount on the increased landed weight.
- [Rickenbacker International Airport \(Rate Adjustment for Frequency\)](#): Carriers that serve the airport regularly on a long term basis are recognized with lower landing rates. A carrier flying scheduled and/or charter freighter flights with a minimum average of 8 monthly revenue frequencies per month over the previous 6 month period are eligible to have their rate lowered. This lowered rate is applied as long as the minimum monthly rolling average continues to be met and cargo is off-loaded and/or on-loaded at the airport.

Waived Terminal Building Rents

Similar to landing fees, building rents can be discounted for air cargo carriers. An example can be found below:

- [St. Louis International Airport](#): Offers 18 months of waived terminal building rents and landing fees for new transoceanic service for eligible airlines.

Marketing and Advertising

An airport can pay for all or part of advertising and promotional activities associated with the new cargo carrier service to help offset startup costs and get the word out to the community on the availability of the new service. The amount can vary. A few examples include:

- [Detroit Metropolitan Wayne County Airport](#): Provides payment for advertising and promotional activities at an amount up to but not exceeding 50% of the total amount expenditures payable by the airline with respect to the new service for 12 months. The airport will reimburse the airline for funds spent by the airline for these activities through a credit applied against the airline's activity fees at the end of each three month period during the 12-month incentive period.
- [Dulles International Airport](#): The airport's Freight Incentive Program provides up to \$1 million (\$500,000 for 2 years) to air cargo carriers for new international freighter service. Matching funds can be used for promotional activities, sales blitzes, and customer development.

These next three tools are offered by federal, state and local governments rather than the airport.

Foreign Trade Zone (FTZ)

An FTZ is a special economic zone where goods can land, be handled, manufactured, or reconfigured, and re-exported without any interactions from customs, and duties are not paid until removed from the zone. Having an FTZ can give an airport a competitive advantage to offer to air cargo carriers. In addition, if an airport's fuel farm is located within the FTZ, international cargo flights can fuel up and get an exemption on federal excise taxes on fuel. Examples of airports with an FTZ are:

- [Southern California Logistics Airport](#)
- [Orlando International Airport](#)

Tax Abatements

Cities or states can offer tax abatement programs that reduce or eliminate the amount of property tax owners pay on new construction, rehabilitation and/or major improvements. This can include airport facilities developed by air cargo operators. Examples of programs that provide incentives for on-airport development include:

- [State of Colorado Enterprise Zone Tax Credit](#): Colorado's Enterprise Zone (EZ) program provides tax incentives to encourage businesses to locate and expand in designated economically distressed areas of the state including areas on and around the Colorado Springs Airport.
- [The Connecticut Enterprise Zone Program](#): The state program applies to property at Bradley Airport where the Development Zone extends enterprise zone tax incentives to manufacturers and other specified businesses that develop or acquire property in the zone and create jobs.

Economic Development Incentives

Some cities, counties, and states offer loans, grants, and tax credits to firms that will provide new jobs to a region as a result of on-airport development. The offerings by state vary. Loans and grants can be used for things such as construction, equipment, building acquisition, and road development.

- [The Mississippi Development Authority](#): The Mississippi Development Authority offers a program specifically targeting airport development. The Mississippi Airport Revitalization Revolving Loan program is available to provide loans to airport authorities to assist with the location and expansion of businesses and for the improvement of airport facilities.
- [The Florida Aviation and Spaceports Office](#): Housed within the Florida DOT, this office may provide grants of up to 50 percent of the costs to build on-airport revenue-producing capital improvements. One example of an economic development project is industrial park facilities at a general aviation airport.