

DELIVERING SCOTLAND'S AIR DEPARTURE TAX

Transform Scotland response

March 2026

1. A1: Do you agree that the carriage of passengers from airports in the Highlands and Islands to airports in Scotland and the rest of the UK should be exempt from ADT?

Strongly disagree. Given the large negative environmental consequences of air travel, and the exceptionally low levels of taxation from which the sector benefits compared to other less-polluting transport modes, we are not persuaded by some aspects of the proposed policy design with regard to the Highlands and Islands region. We strongly support the following aspects of the proposals:

- The removal of private jets from the exemption.
- The withdrawal of the exemption for flights from H&I airports to international destinations.

We are content with the following aspects of the proposals:

- The retention of the exemption for flights from the more remote of the H&I's airports (in effect all airports within the H&I region except from Inverness Airport) to other Scottish airports. In all of these instances, more sustainable modes of transport (e.g. rail and coach) are currently unable to provide competitive journey times.

We do not support the following aspects of the proposals:

- The retention of the exemption for flights from Inverness Airport to Lowland Scotland airports (i.e. Aberdeen, Dundee, Edinburgh, Glasgow, Prestwick). In this instance, the exemption will continue to provide a perverse incentive for the development of air routes for distances where rail or coach travel should be the norm. While the aviation sector may not currently offer such flights (at least not on a regular scheduled basis), the policy as currently proposed retains the perverse incentive for the development of such air routes.

We consider the proposals to be poorly framed in this regard:

- The application of an exemption on flights from H&I airports to rUK airports, in the absence of a reciprocal arrangement from the UK Government with regard to APD, provides an incentive for economic activity to flow away from the H&I region. That is, in transport economic terms, a 'two-way road' issue; in essence, the proposals as currently framed may well lead to diminished economic activity in the H&I region — the opposite of the stated intent of the policy design. Given the excessively low levels of taxation faced by the aviation sector, not least when compared to less polluting modes of transport, this leads us to recommend that further consideration be given to the removal of the exemption on flights from H&I airports to rUK airports.

2. A2: Do you agree that the carriage of passengers to airports in the Highlands and Islands from all Scottish airports should be exempt from ADT?

Strongly disagree. See answer to A1.

3. A3: Do you agree that direct and connecting international flights from airports in the Highlands and Island should not be exempt from ADT?

Strongly agree. See answer to A1.

4. A6: Do you agree that the carriage of passengers on private jets should not be included within the scope of the exemption?

Strongly agree.

We are pleased that the Scottish Government is seeking views on applying higher rates of ADT (relative to APD) through a supplement on private jet flights in the future. Private jets, on a per passenger basis, are responsible for massively disproportionate carbon emissions. This is clearly measurable. However, any economic or social benefit derived from private jet arrivals and departures is highly speculative, and beset with numerous unverifiable assumptions (including whether the net benefits flow into or away from Scotland).

We would therefore strongly support the introduction of a private jet ADT supplement, from the second year of its operation. Its level should be set at a rate which leads to an absolute reduction in the negative environmental consequences of this form of travel. While this may only contribute a small amount to Scotland's overall progress towards net zero, it will carry the important message that not only should the polluter pay, but that those who currently disproportionately pollute should be emitting less pollution in the future.

5. C2: What are your views on the future role for ADT policy in Scotland and the associated economic, environmental and social impacts?

One of the key 'high-level principles' of ADT, from June 2025, is to support the nation's net zero ambitions. There is a real danger that amongst the other principles, such as to generate tax revenues and prompt growth, this key environmental objective gets lost. Transform Scotland believes that ADT provides an opportunity for Scotland to introduce some world-leading policy innovation that incentivises the push towards the least carbon-intensive transport modal choices, while maintaining desired economic outcomes.

It is highly contested whether ever-increasing flight numbers and connectivity provide net economic benefits to Scotland, when taking into consideration both the outflows of economic activity that it enables and the full, long-term cost of the environmental impact that it entails. The Scottish Government should commission independent research into this area, building on the outputs of the recent European Federation for Transport and Environment report 'Economics of Air Transport in Europe'. Its key conclusions are to:

Pause growth in air travel, including airport expansions, and conduct a critical review of up-to-date, regionally-specific evidence on the claimed economic benefits

Put an end to airport expansions in regions where growth in air connectivity no longer drives growth in GDP per capita nor quality tourism value, and where business travel demand is reaching saturation

Reconsider strategies for transport connectivity and tourism value, prioritising the quality of rail networks and local tourism infrastructure over the quantity of air tourism arrivals

In addition, we believe the Scottish Government should use ADT as a mechanism to drive the modal shift from air to lower per-passenger emissions sectors, such as rail and coach, for intra-UK domestic travel. Short-haul flights have the highest per-km carbon emissions per passenger, and for journeys within the UK there is the greatest opportunity to use both carrots and sticks to shift travel behaviours from air to rail and bus.

Price signals are a key mechanism for doing this, and therefore bringing price parity, or cost savings, for rail compared to air, for key routes such as Edinburgh/Glasgow => London should be a key objective of government policy. The aviation sector's prolonged undertaxation and over-subsidisation has resulted in artificially low prices for air travel. Furthermore, air travel is mostly used by the wealthiest individuals: in the UK, the richest 10% of travellers produce 7.5 times more flight emissions than those with lower incomes.

ADT provides an excellent opportunity to redress the balance by increasing rates on routes where good, and improving, rail services can and should operate, specifically targeting the 35% of Scottish airport traffic that is to/from other parts of the UK. In the face of a climate crisis, there should be no perverse price incentive to take the most carbon intensive form of transport where a perfectly good low-carbon alternative exists.

Lastly, we would also encourage the Scottish Government to commission independent research that would explore the use of 'Brexit freedoms' to lobby the UK government to introduce duty on domestic aviation fuel. Given the sector's disproportionate environmental harm, its passenger bias towards those on higher incomes, and highly contested economic benefits (in the sense that any such benefits couldn't equally be accrued through other means), it is remarkable that jet fuel is so under-taxed compared to road and rail fuels.



Scotland's alliance for sustainable transport

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We campaign for walking, cycling and public transport to be the easiest and most affordable options for everyone. Our diverse membership brings together public, private and third sector organisations from across Scotland. We are a registered Scottish charity (SC041516).