

EDITORIAL

Obama's Bizarre Attacks on Biz Av

For a community that prizes its anonymity, business aviation is suddenly and uncomfortably in the public eye, courtesy of the Obama administration. And it was put there for all the wrong reasons. Again. As a result, business aircraft operators, owners, manufacturers and service providers are worried and mad as hell, and justifiably so.

The most recent offense occurred at a White House press conference on June 29 when President Barack Obama hectored Congress to rescind what he called a "tax break for corporate jet owners." He posited that failure to do so could deny federal funds for college scholarships, medical research, Medicare, food inspections or the National Weather Service. Obama was quite insistent on the matter, citing it six times, clearly implying it was an important step to take toward ending federal budget deficits.

Although he never spelled out what tax break he finds so disagreeable, the astounded business aviation lobby (and "astounded" may be too gentle a descriptor) concluded the president was referring to aircraft depreciation rates. New business aircraft, along with new engines and avionics, currently can be depreciated in as quickly as a year, rather than the seven years more typical of tangible business assets. Amazingly, that shortened schedule came about as a part of Obama's own economic stimulus package. Now, he wants a seven-year schedule.

While every little bit of revenue helps, the contribution that altering the schedule would make toward achieving Obama's stated goal of closing the federal deficit will be piddling. Some have estimated the additional tax revenue at \$3 billion over 10 years, a trifle compared to deficits in excess of \$1 trillion every year. That such an insignificant part of the president's proposed \$4 trillion, 12-year budget fix would draw so much of his attention seems bizarre.

Equally curious is a quiet move by the administration that also has produced an uproar. At 5 p.m. on the Friday beginning the Memorial Day weekend, the Transportation Department announced it was dismantling the Block Aircraft Registration Request (BARR) program. Begun in 2000, BARR allows aircraft owners to have their tail numbers withheld from online flight-tracking programs.

Transportation Secretary Ray LaHood says the move furthers "the Obama administration's commitment to transparency in government." Since aircraft use the public airspace and air traffic control facilities, LaHood reasons, "the public has a right to information about their activities."

Actually, the public has long had access to historical air traffic data through the Freedom of Information Act, and several news organizations have made use of that right. BARR simply prevents the information from being disseminated to the public globally and in real time. With enhanced security one of the many selling points of business aviation, the administration's determination to share live ATC tracking data undermines the industry yet again.

As National Business Aviation Association (NBAA) President and CEO Ed Bolen says, "This incomprehensible policy reversal gives anyone in the world—terrorist, criminal, tabloid stalker, business competitor—the equivalent of an Internet homing device

“ In his latest broadside against an industry that bolsters U.S. competitiveness, the president attacks a tax measure that will deliver little benefit. ”

to track the movements of citizens and companies in real time." Aircraft Owners and Pilots Association (AOPA) President Craig Fuller notes that vehicles in no other mode of travel can be so tracked for reasons unknown.

AOPA and NBAA have done the right thing in filing suit to prevent the dismantling of the program. And, sensibly, their arguments have met with some favor on Capitol Hill. A bipartisan group of 26 U.S. senators signed a letter to LaHood protesting the move to repeal BARR and calling it "essential" to ensure "individual security, privacy and business competitiveness."

Why would a president use the formidable power and prestige of his office to upend such obscure and benign matters? The answer is populist politics, plain and simple. It's unlikely that Obama cares at all about depreciation schedules and flight tracking. Rather, what he is publicly berating are business jet owners and operators, effectively using them as cannon fodder in a battle to increase tax contributions by corporations and high-net-worth individuals in general.

But the alarming truth is that every wag of the presidential finger or display of demagoguery threatens to cause another company to forego an aircraft purchase or shutter a flight department. And ultimately that means another aerospace worker, pilot or mechanic is laid off. How is it that this president and his administration can be so oblivious to the vital roles that aviation in general and business aviation, in particular, play in the U.S. economy? Aviation creates jobs, and the broader aerospace industry is the nation's largest manufacturing exporter.

Here is the bottom line, Mr. Obama: Business aviation is one of America's manufacturing and export triumphs and should be promoted and facilitated, not demonized for political gain. ☛

