Air Service Incentive Program

Tucson Airport Authority

Fiscal Years 2026 and 2027

Tucson Airport Authority (TAA) Mission Statement

Provide a sustainable airport system and constantly pursue initiatives that promote and grow business opportunities.

TAA Vision Statement

Landing Prosperity in Southern Arizona

For Qualifying Service Commencing between October 1, 2025 and September 30, 2027

The Tucson Airport Authority (TAA) implements this Air Service Incentive Program in order to encourage new nonstop air service from Tucson International Airport (TUS). TAA has projected that such new air service will result in increased airport revenues, including airline revenues, parking, food and beverage, retail and other concession revenues, that exceed the costs of the Incentive Program and result in an overall lower cost per enplaned passenger at TUS.

The program incentives are available for airlines operating scheduled passenger service on a new route not currently served nonstop from TUS as well as service by new entrant airlines.

Only one airline per destination airport can receive an incentive during the term of the program.

Charter operations, including operators under Parts 121, 135, and 380, are not eligible.

To receive marketing support, the advertising must be:

(1) Solely for the purpose of promoting the new TUS route,
(2) The TUS logo must be featured prominently in the advertising and promotional material,
(3) TAA must approve the advertising in advance, and
(4) TAA will pay for marketing based on invoices from approved non-airline 3rd parties.

If the qualifying service is not operated for at least twelve consecutive months (year-round service or new entrant carrier) or three consecutive months (seasonal service), the airline is required to reimburse TAA for all airport fee waivers received by or credited to the airline within thirty (30) days of demand from TAA.

"Seasonal service" is service which operates for less than seven months consecutively.

A "new entrant carrier" is an airline beginning service at TUS which has not served TUS in the preceding 24 months. A new entrant is considered an incumbent air carrier twelve months after commencing service at TUS.

If seasonal service converts to year-round service, the incentive reverts to the levels for year-round service.

United States and Territories:

Airport Fees

1) For the first 12 months of year-round service by an incumbent carrier to a destination not currently served nonstop;
2) First 12 months of service by a new entrant carrier to a destination currently served nonstop;
3) First 24 months of service by a new entrant carrier to a destination not currently served nonstop, or
4) First three years of seasonal service to a destination not currently served nonstop:
    - Airport fees (landing fees, additional terminal rent incurred due to new service, use fees) waived

Marketing Support

- $100,000 per destination for daily service
- If less than daily, the amount is prorated, based on the scheduled average weekly frequency in the first four weeks of service (e.g., twice a week service would qualify for $2/7^{th}$ of $100,000, or $28,571)

Destinations in Mexico or Canada:

Airport Fees

For the first 12 months of year-round service by an incumbent carrier, the first 24 months of service by a new entrant carrier, or the first three years of any seasonal service:

- Airport fees (landing fees, additional terminal rent incurred due to new service, use fees) waived

Marketing Support

- $250,000 per destination for a minimum of twice weekly, year-round service
- If service is less frequent, the amount is prorated, based on the number of departures in the first twelve months scheduled as of service commencement (e.g., once weekly operation for 16 weeks would qualify for 16/104 of $250,000, or $38,462)

Other International Destinations:

Airport Fees

For the first 24 months of year-round service or the first three years of seasonal service:

- Airport fees (landing fees, additional terminal rent incurred due to new service, use fees) waived

Marketing Support

- $500,000 per destination for a minimum of once weekly, year-round service
- If service is less frequent, the amount is prorated, based on the number of weeks of scheduled service in the first twelve months as of service commencement (e.g., once weekly service for 16 weeks would qualify for 16/52 of $500,000, or $153,846)

Other Program Requirements

To be eligible for the Program, the airline must submit a TAA application listing the details of the planned service and receive approval from TAA.

In the spirit of partnership, airlines determined to be eligible for one or more incentives under this Incentive Program will be required to have a Participation Agreement with TAA fully executed at least 60 days prior to qualifying service commencement in order for TAA to make any incentive-based payments for marketing expenditures related to the new route. A sample agreement is attached as Exhibit A.

The airline must be in good financial standing with TAA, as determined by TAA, to qualify for and to receive incentives.

Any airline ending qualifying service at TUS during the period of this program which restarts service to that same market within the effective time period of this program is not eligible for further incentives.