

Gander airport freed from taxes, N.L. Supreme Court rules

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After six years of court battles, the Newfoundland Supreme Court ruled that Gander International Airport does not have to pay municipal taxes.

When the airport authority began fighting in 2002 the municipal tax bill owed to the Town of Gander was \$250,000 — and before the decision was made in Supreme Court there was \$2.5 million at stake from six years of tax bills.

In the decision, court ruled the airport in Central Newfoundland has no marketable value that can be taxed by the town, and also awarded the airport some of its legal costs.

Gary Vey, chief operating officer of the airport authority, told CBC News that although the authority didn't agree with the municipal tax bill, they are still willing to pay something to the Town of Gander.

"Perhaps this court decision now might cause us to get together and work out a sensible agreement that's within the ability of the airport authority to pay, and that satisfies the requirements of the town," Vey said.

The Gander International Airport Authority, created in 1996, is a non-profit organization that manages the operations at the airport.

Gander town manager Jake Turner said the municipality will get legal advice on what the ruling means before commenting on the decision.

The town has a three-week window to decide if it wants to appeal.

The Gander airport has a history financial problems. In 2006, it looked as though the airport would shut its doors, but there was a cash infusion from the federal government.

In May 2007, the authority accepted \$5 million from the government — to be distributed in 2008 and 2009 — to help keep the airport going.