

December 21, 2007

Via U.S. Mail and Facsimile (973-496-7969)

Ronald L. Nelson
Chairman and Chief Executive Officer
Avis Budget Group, Inc.
6 Sylvan Way
Parsippany, NJ 07054

Re: Avis Budget Group, Inc.
Form 10-F for Fiscal Year Ended December 31, 2006
Filed March 1, 2007
File No. 1-10308

Dear Mr. Nelson:

We have limited our review of your above filings to disclosure relating to your contacts with countries that have been identified as state sponsors of terrorism, and we have the following comments. Our review with respect to this issue does not preclude further review by the Assistant Director group with respect to other issues. At this juncture, we are asking you to provide us with supplemental information, so that we may better understand your disclosure. Please be as detailed as necessary in your response. After reviewing this information, we may raise additional comments.

Please understand that the purpose of our review process is to assist you in your compliance with the applicable disclosure requirements and to enhance the overall disclosure in your filings. We look forward to working with you in these respects. We welcome any questions you may have about our comments or on any other aspect of our review. Feel free to call us at the telephone numbers listed at the end of this letter.

General

1. We note from the website of your subsidiary, Budget Rent A Car System, Inc. ("Budget"), that Budget rents out cars in several locations in Syria, a country identified by the U.S. State Department as a state sponsor of terrorism, and subject to U.S. economic sanctions and export controls. Your Form 10-K does not include any information regarding operations in Syria. Please describe to us the nature and extent of your past, current, and anticipated operation in, and other contacts with, Syria, whether through direct or indirect arrangements. Your response should describe in reasonable detail the products and services you have provided into the referenced countries, and any agreements, commercial arrangements, or other contacts with the government of Syria or entities controlled by it.

2. Please discuss the materiality of any contacts described in response to the foregoing comment, and whether they would constitute a material investment risk for your security holders. You should address materiality in quantitative terms, including the approximate dollar amounts of any associated revenues, assets, and liabilities for the last three years concerning Syria, and the number of employees, if any, you have in that country. Also, address materiality in terms of qualitative factors that a reasonable investor would deem important in making an investment decision, including the potential impact of corporate activities upon a company's reputation and share value.

We note, for example, that Arizona and Louisiana have adopted

legislation requiring their state retirement systems to prepare reports regarding state pension fund assets invested in, and/or permitting divestment of state pension fund assets from, companies that do business with countries identified as state sponsors of terrorism. The Missouri Investment Trust has established an equity fund for the investment of certain state-held monies that screens out stocks of companies that do business with U.S.-designated state sponsors of terrorism. The Pennsylvania legislature has adopted a resolution directing its Legislative Budget and Finance Committee to report annually to the General Assembly regarding state funds invested in companies that have ties to terrorist-sponsoring countries. Your materiality analysis should address the potential impact of the investor sentiment evidenced by such actions directed toward companies that have operations associated with Syria.

Your qualitative materiality analysis also should address whether, and the extent to which, the government of Syria, or persons or entities controlled by that government, receive cash or act as intermediaries in connection with your operations and other contacts.

3. We note on pages 4-5 and elsewhere in your Form 10-K that both Avis and Budget operate in the Caribbean and the Middle East. Your filing does not include any specific information regarding operations in other countries located in the referenced regions that are identified by the U.S. State Department as state sponsors of terrorism and are subject to U.S. economic sanctions and export controls. If applicable, please provide us the same type of information and materiality analysis pertaining to your operations and contacts in any such other countries as you provide us regarding Syria in response to the foregoing comments.

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Please respond to these comments within 10 business days or tell us when you will provide us with a response. Please submit your response letter on EDGAR.

We urge all persons who are responsible for the accuracy and adequacy of the disclosure in the filings to be certain that the filings include all information required under the Exchange Act of 1934 and that they have provided all information investors require for an informed investment decision. Since the company and its management are in possession of all facts relating to the company's disclosure, they are responsible for the accuracy and adequacy of the disclosures they have made.

In connection with responding to our comments, please provide, in writing, a statement from the company acknowledging that:

* the company is responsible for the adequacy and accuracy of the disclosure in the filings;

* staff comments or changes to disclosure in response to staff comments do not foreclose the Commission from taking any action with respect to the filings; and

* the company may not assert staff comments as a defense in any proceeding initiated by the Commission or any person under the federal securities laws of the United States.

In addition, please be advised that the Division of Enforcement has access to all information you provide to the staff of the Division of Corporation Finance in our review of your filings or in response to our comments on your filings.

Please understand that we may have additional comments after

we
review your response to our comments. Please contact Pradip
Bhaumik,
Attorney-Advisor, at (202) 551-3333 if you have any questions
about
the comments or our review. You may also contact me at (202) 551-
3470.

Sincerely,

Cecilia Blye, Chief
Office of Global Security

Risk

cc: Max Webb
Assistant Director
Division of Corporation Finance

Ronald L. Nelson
Avis Budget Group, Inc.
December 21, 2007
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