



CB(1)658/08-09(01)

SOCIETY OF IATA PASSENGER AGENTS LTD.

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Chairman and Members
Legislative Council Panel on Economic Development
The Legislative Council
Legislative Council Building
8 Jackson Road
Central, Hong Kong



Re: Collection of Air Passenger Departure Tax and Fuel Surcharge by Travel Agents

The Society of IATA Passenger Agencies (SIPA) is a member organization for travel agents authorised in issuing air tickets, and is a founding member of the Travel Industry Council.

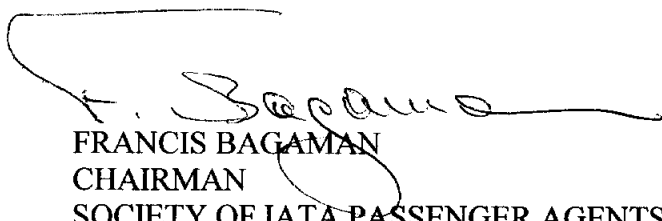
Further to the letter of Mr. Paul Tse to your panel (see CB (1)410/08-09(01)), we appreciate the clarification that the Government pays airlines an average administration fee of about 2.3% for the collection of the airport tax.

As ticketing agents actually perform the task of collecting this tax, the administration fee should be paid to the agents and not the airlines.

Moreover, we fully support the need for a debate in the Legislative Council to highlight the plight of the travel industry, the issues the industry faces, and the need for a greater understanding that travel agents (and not unlike a doctor – everyone has a travel agent) will need to start charging fees for their work, including surcharges for credit card payments.

We look forward to the opportunity for deputations to be heard by your Panel on the issue of collection of taxes, surcharges, and the business model of the travel industry.

Yours sincerely,


FRANCIS BAGAMAN
CHAIRMAN
SOCIETY OF IATA PASSENGER AGENTS LTD.

c.c. MR. PAUL TSE
MR. RONNIE HO – TIC
ALL SIPA MEMBERS