



## SOCIETY OF IATA PASSENGER AGENTS LTD.

1603, 16/F., Regent Centre, 88 Queen's Road C., Central, Hong Kong.  
Tel : (852) 2869 8601 Fax : (852) 2868 1939 E-mail : olau@pacific.net.hk

13 February 2009.

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 through the use of Air tickets by Travel Agents

The inception of Air Passenger Departure Tax through the use of Air Tickets started on 1<sup>st</sup> September 1998.

Since its implementation both Travel Industry Council (TIC) as well as the Society of IATA Passenger Agents Ltd. (SIPA) had vigorously contested that besides the airlines being paid an administration fee for collecting the Air Passenger Departure Tax (APDT) by the Hongkong Government, Travel Agents should also be remunerated as almost ninety percent of the tickets were performed by the Travel Agents.

By collecting the APDT, SIPA is of the opinion that the present situation is unjust and unfair because

- i) it imposes an additional burden on agents,
- ii) additional financial charges on overdrafts are incurred,
- iii) additional administration costs are incurred,
- iv) additional credit card charges are incurred, and
- v) agents can be left holding any bad debts incurred.

BSP-HK Airlines alerted the Travel Agents that collecting the APDT is in line with the provisions stipulated in the Passenger Sales Agreement, Resolution 824 paragraph 3.1 (copy attached) quote "The agent is authorised to sell air passenger transportation on the services of other air carriers as authorised by the carrier. The sale of air passenger transportation means all activities necessary to provide a passenger with a valid contract of carriage including but not limited to the issuance of valid Traffic Document and the collection of monies therefor. The agent is also authorised to sell such ancillary and other services as the carrier may authorise."

By not collecting the APDT at ticket issuance, agents may suffer financial loss due to short collection, and Computer Reservation Systems (CRS) will not guarantee fare for manually priced tickets. (IATA BSP-HK Airlines Circular attached)

Whatever BSP-HK Airlines quoted they over looked the same resolution paragraph 9 (copy attached) under "Remuneration" quote "For the sale of air transportation and ancillary services by the Agent under this agreement the Carrier shall remunerate the Agent in a manner and amount as may be stated from time to time and communicated to the Agent by the Carrier. Such remuneration shall constitute full compensation for the services rendered to the Carrier."

Meetings were held with the Hongkong Government in 2004 and 2006 as well as with the airlines in 2006. Their replies which are self-explanatory are attached. However, according to the airline and Department of Civil Aviation (DCA) contract, clause (e) it clearly states "The commissions to be paid by the carrier to any agent in respect of tickets sold shall be such commissions which have been approved by the DCA." (Airline & DCA Contract attached)

In 2004 when fuel prices were on the increase, airlines were given the approval by the Department of Civil Aviation (DCA) to collect a "Fuel Surcharge" on the ticket.

"Fuel Surcharge" should have been incorporated into the airfare and commissions should have been payable to agents. By excluding "Fuel Surcharge" from the airfare agents are deprived of their rightful commissions.

Additionally, airlines are making it far more difficult for agents to achieve sales targets and hence reducing their incentives otherwise payable to agents.

Fuel Surcharges can range from few hundred to few thousand dollars depending on the destination and class of travel. (Work-sheets attached)

Given that an increasing number of surcharges and other charges have been imposed on air tickets by airlines, thus raising the workload and financial risk of travel agents, the Board of the Travel Industry Council resolved at the meeting on 13 September 2005 that :-

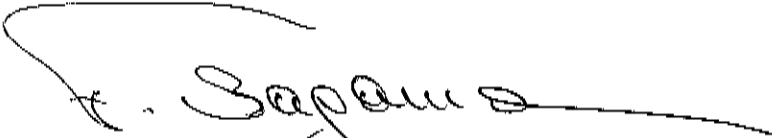
Members are allowed to charge a service fee of no less than HKD30 per ticket for collecting surcharges, taxes or other charges on behalf of airlines or the government. (Copy attached)

This HKD30 were not allowed to be on the air ticket and therefore some understanding passengers were willing to pay but the majority declined.

What SIPA members are looking forward to, are "Fair Business Practice and Fair Remuneration."

In order to air our grievances, we have no alternative but to write to the Chairman and Members of the Legislative Council Panel on Economic Development to highlight the plight of the travel industry, the issues the industry faces, and the need for a greater understanding that travel agents will need to start charging fees for their work, including surcharges for credit card payments.

Yours sincerely,



FRANCIS BAGAMAN  
CHAIRMAN  
SOCIETY OF IATA PASSENGER AGENTS LTD.

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

Post-it* Fax Note	7671	Date	# of pages ▶
To	FRANCIS SALAMON	From	Philip Lam
Co./Dept.	AMERICAN LLOYD	Co.	IATA
Phone #		Phone #	
Fax #	2868-1459	Fax #	

## BSP-HK AIRLINES

**Date:** 27 August 1998  
**To:** All BSP Agents  
**From:** All BSP Airlines  
**Subject:** Airport Departure Tax (APDT)

This is to remind all agents that agents have to collect APDT at ticket issuance for departure on or after 01 September 1998 as required by the Finance Bureau (memo of 26 June 1998). The changes are being introduced following a two-year review by the Government, airlines and travel agents, to find a method of collecting APDT that reduced queue time and eliminated the difficulties of making a Hong Kong dollar transaction at the airport check-in. The procedure is also in line with the provisions stipulated in the Passenger Sales Agency Agreement, Resolution 824, paragraph 3.1.

By not collecting APDT tax at ticket issuance, agents may suffer financial loss due to short collection; and CRS will not guarantee fare for manually priced ticket.

Thank you for your kind attention.

Regards

## WHEREBY IT IS AGREED AS FOLLOWS:

**1. EFFECTIVENESS**

this Agreement shall become effective between the Agent and the Carrier upon appointment of the Agent by such Carrier in accordance with the Sales Agency Rules in effect in the country(ies) of the Agent's Location(s). Upon coming into effect this Agreement, including any amendments thereto, shall have the same force and effect between the Carrier and the Agent as though they were both named herein and had both subscribed their names as parties hereto.

**2. RULES, RESOLUTIONS AND PROVISIONS INCORPORATED IN AGREEMENT**

2.1(a) the terms and conditions governing the relationship between the Carrier and the Agent are set forth in the Resolutions (and other provisions derived therefrom) contained in the Travel Agent's Handbook ("the Handbook") as published from time to time under the authority of the Agency Administrator and attached to this Agreement. The Handbook incorporates:

2.1(a)(i) the Sales Agency Rules,

2.1(a)(ii) the Bank Settlement Plan rules, where applicable, as set forth in the BSP Manual for Agents,

2.1(a)(iii) such local standards as may be provided for under the Sales Agency Rules,

2.1(a)(iv) other applicable IATA Resolutions;

2.1(b) such Rules, Resolutions and other provisions as amended from time to time are deemed to be incorporated in this Agreement and made part hereof and the Carrier and the Agent agree to comply with them;

2.2 the Agent acknowledges that it has received a copy of the current edition of the Handbook and has acquainted itself with the contents thereof. The Agent specifically acknowledges that it has read and understands the contents of the Handbook, including but not limited to those dealing with: indemnities and waiver; custody, issuance and security of Traffic Documents; the reporting and remitting procedures; and the arbitration procedures;

2.3 the Agency Administrator shall provide the Agent with subsequent editions of the Handbook and all amendments thereto. The Agent shall be notified by the Agency Administrator of any amendments to the contents of the Handbook and such amendments shall be deemed to be incorporated herein unless within 30

days of receipt of such notification the Agent terminates this Agreement by notice in writing to the Agency Administrator;

2.4 the terms and expressions used in this Agreement shall, unless the context otherwise requires, have the meanings respectively provided for in the Sales Agency Rules. In the event of any conflict, contradiction or inconsistency between any provisions with which the Agent is required to comply under Subparagraph 2.1 of this Paragraph, and any of the provisions of this Agreement, the provisions of this Agreement shall prevail.

**3. SELLING CARRIER'S SERVICES ✓**

3.1 the Agent is authorized to sell air passenger transportation on the services of the Carrier and on the services of other air carriers as authorized by the Carrier. The sale of air passenger transportation means all activities necessary to provide a passenger with a valid contract of carriage including but not limited to the issuance of a valid Traffic Document and the collection of monies therefor. The Agent is also authorized to sell such ancillary and other services as the Carrier may authorize;

3.2 all services sold pursuant to this Agreement shall be sold on behalf of the Carrier and in compliance with Carrier's tariffs, conditions of carriage and the written instructions of the Carrier as provided to the Agent. The Agent shall not in any way vary or modify the terms and conditions set forth in any Traffic Document used for services provided by the Carrier, and the Agent shall complete these documents in the manner prescribed by the Carrier;

3.3 the Agent shall make only such representations as are authorized in this Agreement and by the Carrier;

3.4 with regard to any transportation the Agent, its officers or employees may procure on the services of another air carrier which does not have the Agent under appointment, the Agent undertakes that it will not directly or indirectly procure the sale of such transportation otherwise than strictly in accordance with the fares, rules and conditions applicable to the sale of such transportation as published in that other carrier's tariff;

3.5 with respect to previously issued Traffic Documents the Agent, its officers or employees shall issue, accept, reissue, validate or revalidate (including by means of reservation alteration stickers) all such Traffic Documents in accordance with the Carrier's tariffs, conditions of carriage and written instructions;

## 9. REMUNERATION ✓

for the sale of air transportation and ancillary services by the Agent under this Agreement the Carrier shall remunerate the Agent in a manner and amount as may be stated from time to time and communicated to the Agent by the Carrier. Such remuneration shall constitute full compensation for the services rendered to the Carrier.

## 10. RECORDS AND INSPECTION

the Agent shall maintain adequate records and accounts, together with supporting documents, recording the details of all transactions effected under this Agreement. Such records, accounts and documents shall be preserved by the Agent for at least two years from the date of the transactions to which they relate and shall be available for inspection or for copying by the Carrier whose Traffic Documents have been issued.

## 11. CONFIDENTIALITY

11.1 the Carrier agrees that the Carrier and its officers, employees and agents, including the Bank Settlement Plan Management where applicable, will treat information and data relating to the Agent coming into its possession as confidential except to the extent required by law;

11.2 notwithstanding Subparagraph 11.1 of this Paragraph, the Agent agrees that the Carrier, its officers, employees and agents, including the Bank Settlement Plan Management where applicable, may collect, process and disclose to other parties participating in the BSP, except to other Agents, such information and data for purposes of financial assessment of the Agent or of the orderly operation of agency administration or of the Bank Settlement Plan;

11.3 the Agent agrees that the Agent and its officers, employees and any other person acting on the Agent's behalf will treat information and data relating to the Carrier coming into its possession as confidential except to the extent required by law.

## 12. TRANSFER, ASSIGNMENT, CHANGE OF LEGAL STATUS, OWNERSHIP, NAME OR LOCATION

12.1 this Agreement shall not be assigned or otherwise transferred in whole or in part by the Agent to any other person or persons;

12.2 in the event that the Agent proposes to effect any change(s) in the legal status, ownership, name(s) and/or address(es) (within the meaning of these

expressions as used in the Sales Agency Rules under which the activities of any of its Approved Locations are conducted) the Agent undertakes to give prior notice in accordance with the detailed procedures set forth in those Rules.

## 13. TERMINATION

13.1 this Agreement or its application to a specific Location(s) of the Agent shall be terminated if, in accordance with the Sales Agency Rules:

13.1.1 the Carrier withdraws its appointment of the Agent,

13.1.2 the Agent withdraws from its appointment by the Carrier,

13.1.3 the Agent is removed from the Agency List,

13.1.4 the Agent relinquishes its IATA Approval/Accreditation;

13.2 notice of termination of the Agreement as above may be given at any time by notice in writing. Unless otherwise specified in the Sales Agency Rules, such notice shall take effect no sooner than the last day of the month following the month in which the notice of termination is given, and such notice shall include the effective date of termination, without prejudice to fulfilment by each party of all obligations accrued prior to the date of termination.

## 14. ARBITRATION

if any matter is reviewed by arbitration pursuant to the Sales Agency Rules, the Agent hereby submits to arbitration in accordance with such Rules and agrees to observe the procedures therein provided and to abide by any arbitration award made thereunder.

## 15. INDEMNITIES AND WAIVER

15.1 the Carrier agrees to indemnify and hold harmless the Agent, its officers and employees from and against liability for any loss, injury, or damage, whether direct, indirect or consequential, arising in the course of transportation or other ancillary services provided by the Carrier pursuant to a sale made by the Agent hereunder or arising from the failure of the Carrier to provide such transportation or services, except to the extent that such loss, injury or damage is caused or contributed to by the Agent, its officers, employees or any other person acting on the Agent's behalf;

財經事務及庫務局局長

香港雪廠街  
中區政府合署



**SECRETARY FOR FINANCIAL  
SERVICES AND THE TREASURY**

Central Government Offices,  
Ice House Street,  
Hong Kong

傳真號碼 Fax No. : 2147 3873  
電話號碼 Tel. No. : 2810 2178  
本函檔號 Our Ref. : LM to FIN CR 11/2321/83  
來函檔號 Your Ref. :

13 October 2004

Mr Francis Bagaman  
Chairman  
Society of IATA Passenger Agents Ltd  
1805, Bonham Trade Centre  
50 Bonham Strand East  
Sheung Wan  
Hong Kong

Dear Mr Bagaman,

Thank you for your enquiry regarding the issue of collection fee for Air Passenger Departure Tax (APDT). The representative of the travel industry on the Legislative Council, the Hon Howard Young, has also conveyed the travel agents' views to the Administration on this issue.

I met with some representatives of travel agents earlier this year to listen to their opinions with regard to the collection of the APDT, and have asked my colleagues to look into this issue actively. We have discussed it with the Board of Airline Representatives, obtained relevant information on the market practice for analysis and sought legal advice on the legal position. We were advised that, under the existing legislation, the obligation to collect the APDT on behalf of the Government rests with the airlines. Airlines collect from liable departing passengers on the Government's behalf. In return, the Government reimburses airlines on the costs incurred in the collection. This arrangement is provided for under section 4 of the Air Passenger Departure Tax Ordinance (Cap. 140) (the Ordinance), which provides that the operator of the aircraft shall collect the APDT from passengers and pay it to the Government, and section 10 of the Ordinance, which provides that the Financial Secretary may authorise the

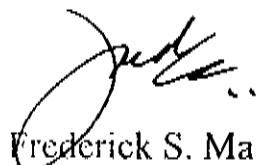
- 2 -

payment of a fee to an operator for collection of the tax. There is no legal basis for the Government to pay collection fee to the travel agents.

As the collection of the tax by travel agents on the airlines' behalf is a matter of contractual relationship between airlines and the travel agents, I hope you will understand that the Government is not in a position to be involved in the discussion between the airlines and travel agents about such contractual arrangements.

We do appreciate very much the contributions that the travel agents have made in the collection of the APDT, and hope that your industry would be able to reach mutually satisfactory solution with the airlines on the division of the responsibility for collecting APDT and the apportionment of the costs involved.

Yours sincerely,



( Frederick S. Ma )

Secretary for Financial Services and the Treasury

c.c. The Hon Howard Young, Member, Legislative Council  
Mr Ronnie Ho, Chairman, Travel Industry Council of Hong Kong



26-JUL-2006 17:35 FROM TRAVEL IND. COUNCIL OF HK TO 28681939

P.02/03

25-JUL-2006 16:44 FROM FSTB(TB)

TO 25109907

P.01/02

財經事務及庫務局  
(庫務科)  
香港下亞厘畢道  
中區政府合署



FINANCIAL SERVICES AND THE  
TREASURY BUREAU  
(The Treasury Branch)  
Central Government Offices,  
Lower Albert Road,  
Hong Kong

By Fax : 2510 9907

傳真號碼 Fax No. : 2530 5921  
電話號碼 Tel. No. : 2810 2370  
本局檔號 Our Ref. : FIN CR 11/2321/83 Pt.18  
來函檔號 Your Ref. : CM/JM/375/2006

25 July 2006

Mr Ronnie Ho  
Chairman  
Travel Industry Council of Hong Kong  
Rooms 1706-1709, Fortress Tower  
250 King's Road  
North Point  
Hong Kong

Dear Mr Ho,

I refer to your letter of 4 July 2006 expressing disappointment at our decision not to accede to your Council's request for reimbursement of Air Passenger Departure Tax (APDT) administrative cost.

I wish to point out that it has always been our position that under the existing legislation, the obligation to collect APDT on behalf of the Government rests with the airlines, and the collection of such tax by travel agents on the airlines' behalf is a matter of contractual relationship between the airlines and travel agents.

Over the past few months, there have been a number of occasions when we met together to discuss this issue. The reason is that we understand the concerns you raised, i.e. many travel agents have in reality collected the APDT on behalf of the airlines but received no compensation for this service. However, in the course of our discussions, it came to our notice that a directive was issued by your Council on 16 September last year allowing members to charge a service fee of not less than \$30 per ticket for the collection of, among other things, APDT on behalf of the Government. Having obtained further clarification of this directive, and that travel agents have in this manner been provided with an avenue to cover

26-JUL-2006 17:35 FROM TRAVEL IND. COUNCIL OF HK TO 28681939

P.03/03

25-JUL-2006 18:45 FROM FSTB(CTB)

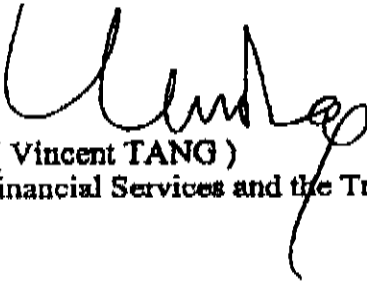
TO 25109907

P.02/02

- 2 -

this cost, we do not see the need for the Government to take this issue further with your Council and the Board of Airline Representatives in order to arrive at a mutually acceptable arrangement for the reimbursement of APDT administrative costs incurred by your members.

Yours sincerely,



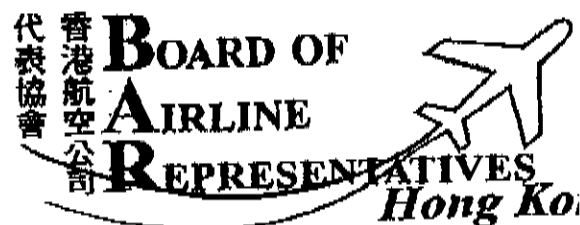
( Vincent TANG )

for Secretary for Financial Services and the Treasury

c.c. Mr Gilbert Chow, Deputy Chairman  
Board of Airline Representatives [Fax: 2141 5773]

TOTAL P.02

TOTAL P.03



Your Ref: - CM/JM/374/2006

27 July 2006

Mr Ronnie Ho  
Chairman  
Travel Industry Council of Hong Kong  
1706-1709 Fortress Tower  
250 King's Road North Point  
Hong Kong



Dear Ronnie


**Re: - Collection of the Air Passenger Departure Tax (APDT) by Travel Agents on behalf of Airlines**

Thank you for your letter of 30 June 2006 on the above.

We agree that travel agents are collecting the APDT on behalf of airlines, which are required by the Government, at the point of sales of the tickets to passengers. This is based on the principal/agent contractual relationship as mentioned by the Government that airlines have to ask travel agents to perform in the normal course of airline ticket sales by travel agents. We have also supported your council's request to the government for remuneration for the task performed. Under the circumstance, it is entirely incumbent upon the Government to consider your request.

Please note that the administrative fee paid by the Government to the airlines in respect of the tax does not contain any element related to the agents' cost of collection. We therefore do not see any justification in airlines having to pay the administrative cost to travel agents when the Government declines your council's request.

Yours sincerely  
Board of Airline Representatives HK

  
Gilbert Chow  
Deputy Chairman

cc: - Mr Tony Tyler - Chairman BAR  
Secretary BAR  
BAR Members

c/o Northwest Airlines Inc  
1908 Cosco Tower, 183 Queen's Road Central, Hong Kong  
Phone: 2848 1236 Fax: 2869 7986



DCA/ 199/

## HONG KONG CIVIL AVIATION DEPARTMENT

## OPERATING PERMIT

In pursuance of Regulation 20A of the Air Transport (Licensing of Air Services) Regulations, the Director of Civil Aviation (DCA) hereby grants permission to

to use aircraft for the carriage in Hong Kong of passengers and cargo (including mail) separately or in combination for hire or reward on a scheduled journey on the following route:

I	II	III	IV
<u>POINTS OF DEPARTURE</u>	<u>INTERMEDIATE POINTS</u>	<u>HONG KONG</u>	<u>POINTS BEYOND</u>
POINTS IN	POINTS IN SOUTH-EAST ASIA*	- HONG KONG -	- <u>GROUP A</u>
			<u>GROUP B</u> A POINT IN

\* In this context, "SOUTH-EAST ASIA" means .

2. Amendments to the above route may not be put into effect until this permit has been correspondingly amended.

3. This permit is granted subject to the following conditions:

- (a) shall operate only those services which are set out in the schedules approved by the DCA;



- (b) ~~THE CARRIER~~ shall obtain prior approval of the DCA before using any leased aircraft on the services authorised under this permit;
- (c) Without the prior approval of the DCA, ~~THE CARRIER~~ shall not enter into any code-sharing arrangement with any airline or airlines on any service operated to, from or via Hong Kong including -
- i) permitting or facilitating any such service to be advertised, marketed, held out or conducted as a code-shared service in conjunction with another airline; or
  - ii) permitting any service operated under this permit to carry the airline designator code of another airline;
- (d) For carriage between the (NAME OF COUNTRY) and Hong Kong on any service operated under this permit ~~THE CARRIER~~ shall charge only those tariffs which have been approved by the DCA and the aeronautical authorities of ~~THE COUNTRY~~. For carriage between Hong Kong and a State other than ~~THEIR OWN COUNTRY~~ on any service operated under this permit ~~THE CARRIER~~ shall charge only those tariffs which have been approved by the DCA and, where appropriate, the aeronautical authorities of the other State;
- (e) The commissions to be paid by ~~THE CARRIER~~ to any agent in respect of tickets sold or of air waybills completed by that agent for carriage between ~~THAT COUNTRY~~ and Hong Kong on any service operated under this permit shall be such commissions which have been approved by the DCA and the aeronautical authorities of ~~THAT COUNTRY~~. The commissions to be paid by ~~THE CARRIER~~ to any agent in respect of tickets sold or of air waybills completed by that agent for carriage between Hong Kong and a State other than ~~THAT COUNTRY~~ on any service operated under this permit shall be such commissions which have been approved by the DCA and, where appropriate, the aeronautical authorities of the other State;
- (f) Tariffs and commissions shall be filed with the DCA in such form as the DCA may specify;
- (g) For the purposes of conditions (d), (e) and (f) above, the term "tariff" means one or more of the following:



- i) the fare charged by an airline for the carriage of passengers and their baggage on scheduled air services and the charges and conditions for services ancillary to such carriage;
- ii) the rate charged by an airline for the carriage of cargo (excluding mail) on scheduled air services;
- iii) the conditions governing the availability or applicability of any such fare or rate including any benefits attaching to it;

and the term "commission" means the level of remuneration to be paid for agency services and the conditions on which the level depends but excluding remuneration or conditions for agency services in connection with the carriage of mail;

- (h) The services authorised under this permit shall not be held out or shown in timetables, Computer Reservation Systems or any advertisement:
  - i) in a way which is in any respect inconsistent with the terms of this permit; or
  - ii) as being a continuation of or as providing a through service with any other services provided by ~~THE CARRIER~~ to or from a point not named in this permit;
- (i) ~~THE CARRIER~~ shall at all times take adequate and effective precautions in relation to security and safety and shall comply without delay with all reasonable directions given by the DCA from time to time in that regard.

4. This permit shall come into force on March 1999 and, unless previously revoked or suspended, shall remain in force until 30 October 1999.

( R J Adcock )  
for Director of Civil Aviation

Date: March 1999

SAMPLES OF XT CHARGES

1) Hong Kong - Shanghai - Hong Kong by Dragonair

HKG  
SHA Y  
HKG Y  
FARE HKD 3540  
TAX HKD 120HK HKD 103CN HKD 122YR  
TOTAL HKD 3885  
HKG KA SHA Q4.25 225.78KA HKG225.78NUC455.81END ROE7.75078

Total taxes collected : HKD345

120 HK Hong Kong Airport Tax  
122 YR Fuel Surcharge  
103 CN Airport Fee  
(excluding APDT HKD225)

2) Hong Kong - Singapore - Hong Kong by Singapore Airlines

HKG  
SIN J  
HKG J  
FARE HKD16760  
TAX HKD 120HK HKD 146SG HKD122YQ  
TOTAL HKD17,148  
HKG SQ SIN Q4.25 1078.60SQ HKG1078.60NUC2161.45END ROE7.75078

Total taxes collected : HKD388

120 HK Hong Kong Airport Tax  
122 YQ Fuel Surcharge  
146 SG Singapore Passenger Charge  
(excluding APDT HKD268)

SAMPLES OF XT CHARGES

3) Hong Kong - Vancouver - Hong Kong by Cathay Pacific Airways

HKG  
 YVR Y2R  
 HKG Y2R  
 FARE HKD19270  
 TAX HKD 120HK HKD 109CA HKD 661XT  
 TOTAL HKD20160  
 HKG CX YVR Q4.25 Q11.86\*\* 1146.73CX HKG Q11.86\*\* 1146.73NUC2485.78  
 END ROE7.75078  
 XT HKD96SQ HKD5XG HKD560YR

Total taxes collected : HKD890

120 HK Hong Kong Airport Tax  
 560 YR Fuel Surcharge  
 109 CA Canada Security Charge  
 96 SQ Canadian Airport Fee  
 5 XG Canadian GST  
 (excluding APDT HKD770)

\*\* HKD184 Canada Navigation Charge incorporate to airfare

4) Hong Kong - New York - Frankfurt - London - Singapore - Hong Kong

HKG  
 NYC Y  
 FRA Y  
 LON Y  
 SIN Y  
 HKG Y  
 FARE HKD48750  
 TAX HKD 120HK HKD 203RA HKD 3816XT  
 TOTAL HKD52706  
 HKG CX NYC Q4.25 1599.19LH FRA LH LON SQ SIN M4046.00 CX HKG639.93  
 NUC6289.37END ROE7.75078  
 XT HKD67DE HKD146SG HKD432GB HKD213UB HKD55XY HKD43YC  
 XT HKD20AY HKD252US HKD39XA HKD341YR HKD1990YQ HKD35XF  
 XT JFK3

Total taxes collected : HKD3956

120 HK Hong Kong Airport Tax  
 341 YR Fuel Surcharge  
 1990 YQ Fuel Surcharge  
 203 RA Passenger Service Charge  
 67 DE German Security Charge  
 432 GB UK Air Passenger Duty  
 213 UB UK Passenger Service Charge  
 146 SG Singapore Passenger Charge  
 55 XY Immigration User Fee  
 43 YC Custom User Fee  
 20 AY Passenger Security Service Fee  
 252 US Transportation Tax  
 39 XA Animal/Plant Health Inspection Service Fee  
 35 XF Passenger Facility Charge  
 (excluding APDT HKD3836)



SAMPLE OF XT CHARGES

5) Hong Kong - San Francisco - Hong Kong via Tokyo by Japan Airlines

HKG  
 X TYO YDRTZ  
 SFO YDRTZ  
 X TYO YDRTZ  
 HKG YDRTZ  
 FARE HKD18260  
 TAX HKD 120HK HKD 55XY HKD3774XT  
 TOTAL HKD22174  
 HKG JL X/TYO Q4.25JL SFO M1175.36JL X/TYO JL HKG M1175.36NUC  
 2354.97END ROE7.75078  
 XT HKD43YC HKD20AY HKD252US HKD39XA HKD3350YQ  
 XT HKD35XF SF04.5

Total taxes collected : HKD3914

120 HK Hong Kong Airport Tax  
 3350 YQ Fuel Surcharge  
 55 XY Immigration User Fee  
 43 YC Custom User Fee  
 20 AY Passenger Security Service Fee  
 252 US Transportation Tax  
 39 XA Animal/Plant Health Inspection Service  
 Fee  
 35 XF Passenger Facility Charge  
 (excluding APDT HKD3794)

6) Hong Kong - Paris - Hong Kong via London by Cathay Pacific Airways

HKG  
 LON BEE6M  
 PAR BEE6M  
 LON BEE6M  
 HKG BEE6M  
 FARE HKD23990  
 TAX HKD 120HK HKD 146FR HKD1829XT  
 TOTAL HKD26479  
 HKG CX LON Q4.25BA PAR M1545.01 BA LON CX HKG M1545 NUC3094.26END  
 ROE7.75078  
 XT HKD 106QX HKD 111Z HKD 540GB HKD 458UB HKD 560YR HKD 548YQ

Total taxex collected : HKD2489

120 HK Hong Kong Airport Tax  
 146 FR France Aviation Civil Tax  
 106 QX France Passenger Service Charge  
 540 GB UK Air Passenger Duty  
 458 UB UK Passenger Service Charge  
 560 YR Fuel Surcharge  
 548 YQ Fuel Surcharge  
 11 IZ Air Passenger Solidarity Tax  
 (excluding APDT HKD2369)



Attachment C

**IMPORTANT**

香港旅遊業議會  
TRAVEL INDUSTRY COUNCIL  
OF HONG KONG  
Incorporated with limited liability

**DIRECTIVE**

Issue Date: 16 September 2005

Ref: BOD140/16/09/05

**Increase in service fee for collection of surcharges, taxes or other charges on behalf of airlines or government**

**Resolution No. 140**

**(Category: Outbound → Ticketing)**

Given that an increasing number of surcharges and other charges have been imposed on air tickets by airlines, thus raising the workload and financial risk of travel agents, the Board resolved at the meeting held on 13 September 2005 that:

**Members are allowed to charge a service fee of no less than HK\$30 per ticket for collecting surcharges, taxes or other charges on behalf of airlines or the government.**

This Directive supersedes Directive No. 124 (Ref: BOD124/10/06/04) and takes effect on 1 October 2005. Members should notify their customers of the above service fee when quoting the price of air tickets.

BY ORDER OF THE BOARD OF DIRECTORS  
TRAVEL INDUSTRY COUNCIL OF HONG KONG

Joseph Fung  
Executive Director