



香港旅遊業議會

TRAVEL INDUSTRY COUNCIL  
OF HONG KONG

Incorporated with limited liability

Our ref no: CM5/13022009/WL

13<sup>th</sup> February 2009

Chairman Hon Jeffery Lam Kin-fung, and  
Honourable Members  
Panel on Economic Development  
c/o Legislative Council Secretariat  
Legislative Council Building  
8 Jackson Road, Central  
Hong Kong

Dear Honourable Chairman and Members

**Re: Collection of air passenger departure tax (APDT) and fuel surcharge by travel agents**

In view of the substantial increase in workload and the financial burden on travel agents in collecting various surcharges such as the APDT and the fuel surcharge that airlines have added on air tickets, the TIC has been lobbying the Government as well as the Board of Airline Representatives (BAR) on countless occasions over the years for a reasonable remuneration to compensate those travel agents that have performed the tasks on airlines' behalf. Given that travel agents have for so many years been collecting the APDT and other surcharges without any remuneration for airlines which are actually paid a collection fee by the Government in return for collecting the APDT and the overwhelming majority of air tickets are in fact issued by travel agents, the existing arrangement of not remunerating travel agents for their efforts in collecting those surcharges is simply unfair and unreasonable. It is therefore the strong view of the TIC that travel agents should be reasonably compensated for collecting the APDT and the fuel surcharge on airlines' behalf.

To provide Panel Members with more background information about the subject issue, a chronological table summarizing actions taken by the TIC with regard to the APDT

between 1993 and 2006 as well as some of the correspondence between the TIC and the Financial Services and the Treasury Bureau and the BAR are attached herewith for the Panel's consideration.

Thank you very much for your kind attention.

Yours sincerely

TRAVEL INDUSTRY COUNCIL OF HONG KONG



Ronnie Ho

Chairman

- Encl. 1 A chronological table summarizing actions taken by the TIC with regard to APDT between 1993 and 2006
- 2-7 Some correspondence between the TIC and the Financial Services and the Treasury Bureau and the BAR in respect of APDT from March to July 2006

## 一九九三年至二零零六年間

### 議會爭取代收飛機乘客離境稅補償事件簡介

- 一九九三年八月十日 議會致函民航處，表示如政府支付佣金，旅行社樂意代售飛機乘客離境稅票券。
- 一九九三年十一月二十三日 民航處致函議會，要求提供有關旅行社代售飛機乘客離境稅票券的具體運作詳情。
- 一九九六年九月二日 布政司署財政科致函邀請議會，商討旅行社代售飛機乘客離境稅票券及政府支付佣金事宜。
- 一九九六年九月十九日 議會覆函政府，表示議會理事會建議政府向旅行社支付百分之三的佣金，作為代售飛機乘客離境稅票券的補償。
- 一九九七年八月十四日 庫務局致函邀請議會代表出席有關代售飛機乘客離境稅票券事宜的會議。
- 一九九七年八月二十七日 庫務局官員與議會代表舉行會議。
- 一九九八年六月五日 庫務局書面通知議會，其已經與香港航空公司代表協會達成協議，將飛機乘客離境稅金額列印於機票上，並於售賣機票時收取。
- 一九九八年六月十日 庫務局書面通知議會，九月一日或以後出發的機票，有關飛機乘客離境稅須於發售機票時收取。
- 一九九八年七月十六日 議會致函香港航空公司代表協會，表示理事會反對旅行社無償地代收飛機乘客離境稅。
- 一九九八年八月七日 議會與香港航空公司代表協會代表及立法局議員楊孝華先生舉行會議，議會反對旅行社無償地代收飛機乘客離境稅。
- 一九九八年八月二十五日 議會向會員發出指引，規定「由九八年八月廿八日

起，所有旅行社於售賣九月一日或以後出發之機票時，不向旅客收取『飛機乘客離境稅』。

- 一九九八年九月一日 議會召開說明會，向會員解釋不向旅客收取飛機乘客離境稅事件始末及聽取會員意見。
- 一九九八年九月七日 庫務局致函議會，表示一年後檢討有關代收飛機乘客離境稅的措施。
- 一九九八年九月十七日 議會向會員發出指引，表示「同意讓旅客選擇向旅行社購買機票時繳付飛機乘客離境稅，或於機場離境時向航空公司職員繳付飛機乘客離境稅。」
- 一九九九年十一月二十二日 議會致函庫務局，跟進政府檢討代收飛機乘客離境稅措施的結果。
- 二零零零年二月二十二日 庫務局覆函議會，表示代收飛機乘客離境稅措施維持不變，並於一年後再進行檢討。此外，庫務局又建議旅行社及航空公司自行處理代收飛機乘客離境稅的服務費事宜。
- 二零零三年十一月二十八日 國際航空協會審訂旅行社商會主席白嘉民先生致函議會主席何栢霆先生，敦促何先生要求當局給予旅行社代收飛機乘客離境稅的補償，一如航空公司所獲補償那樣。
- 二零零三年十二月九日 此事在第一百八十八次理事會會議上討論。主席表示已安排與楊孝華議員會晤，討論此事。
- 二零零三年十二月十六日 議會代表與楊孝華議員會面，楊議員應允安排議會代表與財經事務及庫務局馬時亨局長晤談。
- 二零零三年十二月十七日 議會就離境稅一事致函八個屬會諮詢。香港中國旅遊協會與國際航空協會審訂旅行社商會表示支持議會代旅行社向政府爭取代收飛機乘客離境稅的補償。
- 二零零四年三月二十五日 議會代表就代收飛機乘客離境稅的補償一事與馬

時亨局長會晤。馬局長表示，政府委託了航空公司代收飛機乘客離境稅，並沒有委託旅行社，因此只會支付行政費予航空公司。不過，他會要求航空公司澄清，在它們要求政府補償的數據之中，有沒有把旅行社的成本包括在內。

二零零四年十月十三日

馬時亨局長就飛機乘客離境稅一事致函白嘉民先生，信件副本抄送楊議員和議會主席。馬局長在函中表示：

- i. 在現行法例下，代政府收取飛機乘客離境稅的責任在航空公司。
- ii. 《飛機乘客離境稅條例》（《香港法例》第一百四十四章）規定，為政府收取飛機乘客離境稅的經營商可獲支付一項費用。政府並沒有向旅行社支付收取費用的法律依據。
- iii. 旅行社代航空公司收取飛機乘客離境稅是兩者的合約關係。政府無法插手干預這種合約安排。
- iv. 希望業界在收取飛機乘客離境稅的責任與成本的分擔方面，能與航空公司達成雙方都滿意的方案。

二零零四年十月十八日

議會致函航空公司代表協會，要求就此事展開對話。

二零零四年十二月十八日

議會再就此事致函航空公司代表協會。

二零零五年二月七日

香港航空公司代表協會覆函議會，表示已就旅行社代收飛機乘客離境稅的服務費事宜致函政府，詢問其會否考慮補償旅行社在銷售點所做的工作。

二零零五年三月八日

理事會決定致函政府和航空公司代表協會，要求舉行一次三方會議。如在二零零五年五月一日前無回音，則考慮採取進一步行動。

- 二零零五年三月九日 議會致函政府和航空公司代表協會，要求舉行三方會議。
- 二零零五年三月二十四日 香港航空公司代表協會覆函議會，表示正等候政府就安排三方會談一事的回覆。
- 二零零五年四月十五日 政府覆函議會，建議由旅行社及航空公司自行處理代收飛機乘客離境稅的服務費事宜。
- 二零零五年四月二十二日 香港航空公司代表協會致函議會，建議留待日後政府檢討飛機乘客離境稅時，再研究旅行社代收飛機乘客離境稅的服務費事宜。
- 二零零五年五月九日 國際航空運輸協會旅遊業/航空公司執行委員會（執行委員會）召開會議，就旅行社代收飛機乘客離境稅的服務費事宜進行商討。會上，航空公司代表表示執行委員會的決定不能代表香港航空公司代表協會的立場，同時，其會議亦非合適的場合去討論有關旅行社代收飛機乘客離境稅的佣金問題。
- 二零零五年五月十日 議會理事會以絕大比數否決了票務委員會提出罷收飛機乘客離境稅建議；理事會成立專責小組，研究仲裁、法律行動、公關宣傳、罷收等各種方案的可行性。
- 二零零五年八月二十四日 票務委員會通過將旅行社代收飛機乘客離境稅行政費研究報告的三頁文件，全交由香港航空公司代表協會轉交政府。
- 二零零五年八月二十六日 議會正式將旅行社代收飛機乘客離境稅行政費研究報告，交給香港航空公司代表協會。
- 二零零五年九月五日 香港航空公司代表協會代議會將旅行社代收飛機乘客離境稅行政費研究報告轉交政府。
- 二零零五年九月十三日 議會發出指引，會員可以收取每張機票最少港幣三十元的費用，作為代航空公司或政府收取附加費、稅款或其他徵費的服務費。

- 二零零六年一月三日 香港航空公司代表協會轉告議會，有關政府就議會呈交的代收飛機乘客離境稅行政費研究報告提出的一連串問題。
- 二零零六年二月八日 議會代表會晤政府官員，回應政府提出的問題。
- 二零零六年二月十四日 理事會決定正式向政府建議，向旅行社繳付代收飛機乘客離境稅的行政費，詳情以票務委員會的研究報告為準。
- 二零零六年三月一日 議會致函政府，正式向政府建議，向旅行社繳付代收飛機乘客離境稅的行政費。(詳情請參閱附件二)
- 二零零六年三月十三日 政府致函議會，要求解釋何以一方面向旅客徵收三十元代航空公司或政府收稅款的服務費的同時，又要求政府向旅行社支付行政費。(詳情請參閱附件三)
- 二零零六年四月十一日 議會覆函政府，表示三十元不足以支付旅行社代收稅款、附加費或其他徵費的行政費開支。(詳情請參閱附件四)
- 二零零六年五月三日 議會代表會晤政府官員，解釋要求政府支付行政費的理據。
- 二零零六年五月二十二日 議會與政府官員及香港航空公司代表協會代表舉行會議，就要求政府向旅行社繳付代收飛機乘客離境稅的行政費一事繼續進行斡旋。
- 二零零六年六月二十三日 政府致函議會，重申旅行社代航空公司收取飛機乘客離境稅是兩者的合約關係。有鑒於議會於二零零五年九月十三日發出指引，允許旅行社向旅客徵收三十元代航空公司或政府收稅款的服務費，政府認為議會的所提交的建議理據並不充份，正式拒絕議會的要求。(詳情請參閱附件五)
- 二零零六年六月三十日 議會致函航空公司代表協會，要求航空公司向旅行

社繳付代收飛機乘客離境稅的行政費。(詳情請參閱附件六)

- 二零零六年七月四日 議會覆函政府，就其所作的決定提出不滿。
- 二零零六年七月二十五日 政府覆函議會，重申其立場。
- 二零零六年七月二十七日 航空公司代表協會覆函議會，拒絕議會的要求。(詳情請參閱附件七)
- 二零零六年八月六日 議會覆函航空公司代表協會，就其所作的決定提出不滿。

製表日期：12-2-2009





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

Our ref: CM/AC/349/2006

1<sup>st</sup> March 2006

Mr Vincent C L Tang  
Principal Assistant Secretary  
for Financial Services and the Treasury (Treasury)  
Financial Services and the Treasury Bureau  
The Government of the HKSAR  
4/F, East Wing, CGO  
Lower Albert Road  
HONG KONG

Dear Mr Tang

**Re: Proposal on the payment of an administration fee to travel agents for collecting the Air Passenger Departure Tax**

I am writing on behalf of the Board of Directors of the Travel Industry Council of Hong Kong (TIC) to propose the payment of an administration fee by the Government to travel agents to cover their cost of collecting the Air Passenger Departure Tax (APDT).

Airlines are obliged by law to collect the APDT on behalf of the Government. In return, the Government reimburses airlines the costs incurred. To facilitate the collection, the airlines incorporated the APDT in the air ticket price. Since travel agents issue up to 90% of the air tickets sold by airlines, they become the party who actually collects the tax, bearing not only the additional workload but also the related financial costs and risks.

Although both the Government and the airlines have acknowledged that the APDT is actually collected by travel agents, the administration fee agreed between the Government and the airlines has never taken into account the travel agents' costs.

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I am therefore writing to make a formal proposal to the Government for an administration fee to be paid to travel agents for collecting the APDT. We have set out in the appendix the costs involved and explanations on how the figures have come up. The proposal is supported by the TIC's eight Association Members who as individual associations represent the interests of their respective members and together represent the interests of all members of the TIC.

We sincerely hope that the Government will seriously consider our proposal and give us a favourable reply as soon as possible.

Yours sincerely

TRAVEL INDUSTRY COUNCIL OF HONG KONG



Ronnie Ho  
Chairman

cc Mr Gilbert Chow, Deputy Chairman, Board of Airline Representatives

Encl Appendix I

**Related Costs Incurred by Travel Agents on the Collection  
of Hong Kong Airport Departure Tax  
Survey Based on 13 Travel Agencies**

	Industry Average
1) Average Number of tickets issued per month Total tax paid @HK\$120 per ticket	115,417 \$ 13,850,040
2) Financial Costs	
a) Credit card charges	
- % of tickets on credit card	9.9304%
- credit card charges	2.0333% \$ 27,965
b) Interest charges	
- % of tickets on invoice basis	47.3097%
- average settlement period (days)	37.3238
- average BSP payment period (days)	22.5
- overdraft interest rate	7.0662% \$ 18,804
c) Interest earned	
- % of tickets on invoice basis	42.7599%
- savings interest rate	1.5000% (\$2,921)
d) Net Financial Costs	\$ 43,849
3) Manpower Operating Costs	
Incremental time spent	
- average no. of minutes spent per ticket	0.9500
- total man days used per month	228.4295
- average monthly cost per staff	\$ 12,584
- average working days per month #	22.5
Total Staff Costs	\$ 127,758
4) Office Rental and Related Costs	
- average monthly cost per staff	\$ 6,461.12
- total no. of staff per (3) above	18.2299
Total Office Costs	\$ 117,786
5) Bad Debt	
- total monthly tickets affected	34.50
Total Amount	\$ 4,140
6) TOTAL COSTS ON COLLECTION (2d +3 + 4 + 5)	\$ 293,533
7) AVERAGE COST PER TICKET	\$ 2.54

	Figure	Description / Calculation
1)	115,417 \$ 13,850,040	monthly ticket volume from 13 agencies monetary value of ADT from the ticket volume =115417*120
2a)	9.9304% 2.0333% \$ 27,965	portion of ticket settled by customer's credit card, and agency has to bear the credit card fee average credit card fee rate paid by agency to credit card companies credit card fee cost beared by agencies =13850040*9.9304%*2.0333%
2b)	47.3097% 37.3238 22.5 7.0662% \$ 18,804	portion of ticket settled by customers on open invoice average settlement days from customers to agency average finance days (between 15 and 30 days) from BSP to agency =(15+30)/2 average finance cost based on agencies' financing rate finance cost on open invoice customers, based on average finance days (settlement days from customers less BSP payment days) =13850040*47.3097%*7.0662%*(37.3238-22.5)/365
2c)	42.7599% 1.5000% (\$2,921)	portion of ticket settled by customers paying upfront to agency interest rate based on current bank saving accounts interested earned from upfront cash payment from customers. Earning period between 1 day and 22.5 days for BSP payment, taking average as (1+22.5)/2 = 11.75 days, say 12 days in formula =13850040*42.7599%*1.5%*12/365
2d)	\$ 43,849	summation of 2a), 2b), and 2c)
3)	0.9500 228.4295 \$ 12,584 22.5 \$ 127,758	time (57 seconds) used to process each ticket related to ADT converted into minute time cost to process ticket volume converted to man-day based on 60 minutes per hour, and 8 working hours per day =115417*0.95/8/60 average monthly cost per staff who is directly involved in the collection of ADT average working day per month, Saturday counted as half convert time cost from mandays into monthly monetary terms =228.4295/22.5*12,584
4)	\$ 6,461.12 18.2299 \$ 117,786	average monthly back office and non-staff cost per head convert mandays (228.4295) to man-month plus share of back office staff. Average each front line staff carry 0.79562 back office staff. =228.4295/22.5*1.79562 monthly non-staff cost incurred =6,462*18.2299
5)	34.50 \$ 4,140	monthly uncollectible number of ticket from 13 agencies monetary value of ADT of the uncollectible tickets =34.50*120
6)	\$ 293,533	summation of 2d), 3), 4), and 5)
7)	\$ 2.54	average cost incurred by agency to collect ADT per ticket =293533/115417

# Related Costs Incurred by Travel Agents on the Collection of Hong Kong Airport Departure Tax Survey Based on 13 Travel Agencies

## Explanatory Notes

- 1 This schedule underlines the financial impact and the burden on Travel Agencies in the collection of Hong Kong Airport Departure Tax on behalf of the Airlines and the Government
- 2 Data are collected from 13 agencies comprising Corporate Agents, Consolidators, Tour Operators, medium and small sized agents - a representative mix of the agency community in Hong Kong
- 3 Data is based on the monthly average of each Agency in August 2005
- 4 Financial impact is based on the expenses incurred for the collection of the Airport Departure Tax amounting to HK\$120 per ticket
- 5 The percentage of credit card charge is based on an average currently payable by the BSP Agents
- 6 The credit card charge is the fee the Travel Agency has to pay when the customer settles payment of his air ticket by credit card
- 7 Approximate 42.7% of ticket volume is by tour operator, who received payment upfront. Around 10% of payment is by credit card from travelers. The remaining balance of 47.3% is for corporate agents and consolidators, who have to extend credit to their customers.
- 8 Interest charge is the financing cost incurred by the Travel Agency as payment by customer exceeds the credit period allowed by the Airlines (e.g. the Government needs average 45 days to settle their payment)
- 9 Manpower cost is based on those staff members in a Travel Agency that is directly involved in the ticketing / accounting process for Airport Departure
- 10 Total man days used is the necessary time required to process the total number of tickets in question
- 11 Office cost are prorated costs for those staff members directly involved for Airport Departure Tax collection and office overhead expenses

- 12 Bad debt covers the average 'non-payment' due to defaults, company closures, bankruptcies
- 13 Survey based on data supplied: Arrow Travel, Charlotte Travel, Delight Air, Farrington American Express Travel, FcM Travel Solutions, Hong Thai Travel, Jardine Travel, Lastminute.com Travel, Lotus Tour, Plan Travel, Shun Tak Travel, Sunpac Travel, Swire Travel, (in alphabetical order)

13-MAR-2006 18:58

THE TREASURY BRANCH, FSTB

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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

傳真號碼 Fax No. : 2801 7135  
電話號碼 Tel. No. : 2810 3757  
本函檔號 Our Ref. : FIN CR 11/2321/83 Pt.17  
來函檔號 Your Ref. : CM/AC/349/2006

**BY FAX**

13 March 2006

Mr Ronnie Ho  
Chairman  
Travel Industry Council of Hong Kong  
Rooms 1706-1709, Fortress Tower  
250 King's Road  
North Point  
Hong Kong  
[Fax : 2510 9907]

Dear Mr Ho,

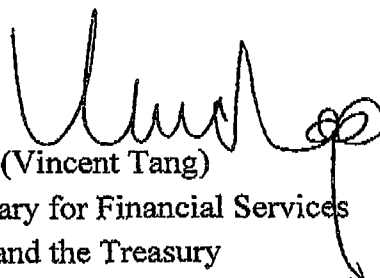
I refer to my meeting on 8 February with some of your Council members and your letter of 1 March 2006 requesting Government to consider the payment of an administration fee to the travel agents for covering their cost arising from the collection of the Air Passenger Departure Tax (APDT).

While we will study the information you provided carefully, incidentally, it comes to our knowledge that a directive was issued by your Council on 16 September 2005 allowing your members to charge a service fee of no less than HK\$30 per ticket for collecting, among other things, taxes on behalf of the Government. I understand that many travel agents have since been levying such a surcharge on their clients upon the sale of air tickets.

- 2 -

In this connection, I should be grateful if you would enlighten me if it is still your Council's view that an administration fee should be paid by Government for the collection of APDT by the travel agents. If so, what are the justifications.

Yours sincerely,



(Vincent Tang)  
for Secretary for Financial Services  
and the Treasury

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





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

Our ref no: CM/AC/365/2006

11<sup>th</sup> April 2006

Mr Vincent C L Tang  
Principal Assistant Secretary  
for Financial Services and the Treasury (Treasury)  
Financial Services and the Treasury Bureau  
The Government of the HKSAR  
4/F, East Wing, CGO  
Lower Albert Road  
HONG KONG

Dear Mr Tang

**Re: Clarification on the \$30 service fee**

Thank you very much for your prompt attention to our letter of 1<sup>st</sup> March 2006.

The TIC issued a directive on 16<sup>th</sup> September 2005 to allow members to charge a service fee of no less than \$30 per ticket for collecting surcharges, taxes or other charges on behalf of the airlines or the governments concerned. It is a fee that travel agents charge their customers for providing a one-stop service for payment of a number of charges collected by the many different parties, both local and overseas. (Samples of the surcharges/taxes collected are given in Appendix 1.) It should be noted that collection of these surcharges/taxes is non-commissionable.

.../page 2

Page 2

Another point to note is that the service fee of \$30 per ticket could hardly compensate the workload and the financial costs involved. You may notice from the attached samples that the fee represents only 0.62% to 2.7% of the fuel surcharges, taxes and other charges collected, which is not even sufficient to compensate travel agents for the standard airline commission of 7% that airlines have withheld from travel agents in the case of fuel surcharges. More importantly, collection of the service fee is not guaranteed. While a few travel agents are charging their customers such service fee, the majority of them are, for various reasons, not being able to collect the fee.

As such, the TIC will continue to pursue with governments of overseas countries and the various airlines to fairly and adequately compensate travel agents for collecting taxes and surcharges for them.

It is therefore the TIC's strong view that an administration fee should be paid by the Government for the collection of the Air Passenger Departure Tax by travel agents.

Yours sincerely

TRAVEL INDUSTRY COUNCIL OF HONG KONG



Ronnie Ho  
Chairman

Encl      Appendix 1

1> Hong Kong - Vancouver - Hong Kong by Air Canada

HKG  
 YVR Y2R NVB NVA PC  
 HKG Y2R NVB NVA PC  
 FARE HKD 18040  
 TAX HKD 120HK HKD 114CA HKD 874XT  
 TOTAL HKD 19148  
 HKG AC YVR Q4.25 Q13.04\*\* 1146.73AC HKG Q13.04\*\* 1146.73NUC2323.  
 79END ROE7.761140  
 XT HKD 101SQ HKD 7XG HKD 766YQ

**Total taxes collected : HKD1108**

**120 HK** Hong Kong Airport Tax  
**766 YQ** Fuel Surcharge  
 114 CA Canada Security Charge  
 101 SQ Canadian Airport Fee  
 7 XG Canadian GST

\*\* HKD204 Canada Navigation Charge incorporated to airfare

2> Hong Kong - Paris - Hong Kong via London by Cathay Pacific Airways

HKG  
 LON BEE6M NVB NVA20NOV 20K  
 PAR BEE6M NVB NVA20NOV 23K  
 LON BEE6M NVB NVA20NOV 23K  
 HKG BEE6M NVB26MAY NVA20NOV 20K  
 FARE HKD 26140  
 TAX HKD 120HK HKD 81FR HKD 1854XT  
 TOTAL HKD 28195  
 HKG CX LON Q4.25BA PAR M HKGLON1681.45BA LON CX HKG M HKGLON  
 1681.45NUC3367.15END ROE7.761140  
 XT HKD 87QX HKD 38FR HKD 339GB HKD 354UB HKD 740YR HKD 296YQ

**Total taxes collected : HKD2055**

**120 HK** Hong Kong Airport Tax  
 119 FR France Aviation Civil Tax  
 87 QX France Passenger Service Charge  
 339 GB UK Air Passenger Duty  
 354 UB UK Passenger Service Charge  
**740 YR** Fuel Surcharge  
**296 YQ** Fuel Surcharge

3> Hong Kong - San Francisco - Hong Kong via Tokyo by Japan Airlines

HKG

XTYO YDRTZ NVB NVA PC  
SFO YDRTZ NVB NVA PC  
XTYO YDRTZ NVB NVA PC  
HKG YDRTZ NVB NVA PC

FARE HKD 18260

TAX HKD 120HK HKD 55XY HKD 1609XT

TOTAL HKD 20044

HKG JL X/TYO Q4.25JL SFO M1173.79JL X/TYO JL HKG M1173.79NUC

2351.83END ROE7.761140

XT HKD 39YC HKD 20AY HKD 226US HKD 39XA HKD 1250YQ

XT HKD 35XF SFO4.5

**Total taxes collected : HKD1784**

120 HK Hong Kong Airport Tax  
1250 YQ Fuel Surcharge  
55 XY Immigration User Fee  
39 YC Custom User Fee  
20 AY Passenger Security Service Fee  
226 US Transportation Tax  
39 XA Animal/Plant Health Inspection Service Fee  
35 XF Passenger Facility Charge

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

HKG

NYC Y NVB NVA15MAY PC  
FRA Y NVB NVA15MAY PC  
LON Y NVB NVA15MAY PC  
SIN Y NVB NVA15MAY 20K  
HKG Y NVB NVA15MAY PC

FARE HKD 45180

TAX HKD 120HK HKD 166RA HKD 2447XT

TOTAL HKD 47913

HKG CX NYC Q4.25LH FRA LH LON M3181.87SQ SIN CX HKG5M SINLON

2634.35NUC5820.47END ROE7.761140

XT HKD 68DE HKD 102SG HKD 271GB HKD 177UB HKD 55XY HKD 39YC

XT HKD 20AY HKD 226US HKD 39XA HKD 460YR HKD 955YQ HKD 35XF

XT JFK3

**Total taxes collected : HKD2733**

120 HK Hong Kong Airport Tax  
460 YR Fuel Surcharge  
955 YQ Fuel Surcharge  
166 RA Passenger Service Charge  
68 DE German Security Charge  
271 GB UK Air Passenger Duty  
177 UB UK Passenger Service Charge  
102 SG Singapore Passenger Charge  
55 XY Immigration User Fee  
39 YC Custom User Fee  
20 AY Passenger Security Service Fee  
226 US Transportation Tax  
39 XA Animal/Plant Health Inspection Service Fee  
35 XF Passenger Facility Charge

5> HKG - TYO - SYD - MEL - BNE - PER - SIN - NYC - LON - FRA - DXB - BKK - HKG

HKG			
TYO Y	NVB	NVA	20K
SYD Y	NVB	NVA	20K
MEL Y	NVB	NVA	20K
BNE Y	NVB	NVA	20K
PER Y	NVB	NVA	20K
SIN Y	NVB	NVA	20K
NYC Y	NVB	NVA	PC
LON Y	NVB	NVA	PC
FRA Y	NVB	NVA	PC
DXB Y	NVB	NVA	PC
BKK Y	NVB	NVA	PC
HKG Y	NVB	NVA	PC

FARE HKD 72410

TAX HKD 120HK HKD 86WG HKD 4654XT

TOTAL HKD 77270

HKG NW TYO Q4.25QF SYD25M TYOSYD2280.06QF MEL245.48QF BNE QF  
PER SQ SIN SQ\*PA\*NYC BA LON BA FRA20M PERFRA5141.04EK DXB C  
X BKK CX HKG M1653.75Q HKGSYD5.00NUC9329.58END ROE7.761140  
XT HKD 214AU HKD 19QK HKD 85QR HKD 182WY HKD 196RA HKD 68DE  
XT HKD 136SW HKD 102SG HKD 64AE HKD 68GB HKD 177UB HKD 55XY  
XT HKD 39YC HKD 20AY HKD 226US HKD 39XA HKD 2459YQ HKD 470YR  
XT HKD 35XFJFK3

**Total (21) taxes collected : HKD4860**

<b>120 HK</b>	Hong Kong Airport Tax
86 WG	Safety and Security Charge (AU)
214 AU	Passenger Movement Charge (AU)
19 QK	Noise Levy Tax (AU)
85 QR	Passenger Service Charge Domestic (AU)
182 WY	Passenger Service Charge Int'l(AU)
196 RA	Passenger Service Charge (DE)
68 DE	German Security Charge (DE)
136 SW	Passenger Facilities Charge (JP)
102 SG	Singapore Passenger Charge
64 AE	Passenger Service Charge (UAE)
68 GB	Air Passenger Duty (GB)
177 UB	Passenger Service Charge (GB)
<b>470 YR</b>	Fuel Surcharge
<b>2459 YQ</b>	Fuel Surcharge
55 XY	Immigration User Fee (US)
39 YC	Custom User Fee (US)
20 AY	Passenger Security Service Fee (US)
226 US	Transportation Tax (US)
39 XA	Animal/Plant Health Inspection Service Fee
35 XF	Passenger Facility Charge (US)

23-JUN-2006 10:55 FROM FSTB(TB)

TO 25109907

P.01/01

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  
本函檔號 Our Ref. : FIN CR 11/2321/83 Pt.18  
來函檔號 Your Ref. :

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

23 June 2006

Dear Mr Ho,

I refer to our meeting on 22 May 2006 in which I undertook to give you a reply in regard to the Travel Industry Council's request for reimbursement of administrative costs by the Government for the collection of Air Passenger Departure Tax (APDT).

We have looked into the information you provided very carefully, and have considered all the arguments that the Council have put forward to support the claim. However, I have to inform you that your request for reimbursement of administration cost cannot be acceded to. It is because we remain of the view that, under the existing legislation, the obligation to collect APDT on behalf of the Government rests with airlines. The collection of APDT by your members on the airlines' behalf is therefore a contractual matter between the airlines and travel agents and should be resolved between the two parties concerned. Moreover, we understand that the Council issued a directive on 16 September 2005 allowing members to charge a service fee of no less than \$30 per ticket for collecting, among other things, taxes on behalf of the Government. This lends little justification for the Council to seek reimbursement of administrative costs from the Government for the collection of this tax.

Yours sincerely,

A handwritten signature in black ink, appearing to read "Vincent Tang", written over a printed name in parentheses.

(Vincent TANG)

for Secretary for Financial Services and the Treasury

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



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

Our Ref: CM/JM/374/2006

30<sup>th</sup> June 2006

Mr Gilbert Chow  
Vice Chairman  
Board of Airline Representatives  
c/o Northwest Airlines  
Room 1808, Cosco Tower  
183 Queen's Road Central  
HONG KONG

Dear Gilbert

**Re: Collection of the Air Passenger Departure Tax (APDT) by travel agents on behalf of airlines**

Mr Vincent Tang, for Secretary for Financial Services and the Treasury, wrote to the TIC in regard to the matter of APDT on 23<sup>rd</sup> June. The Government's reply was that the obligation to collect APDT on behalf of the Government rested with airlines and the collection of the APDT by travel agents on behalf of airlines was a contractual matter between the airlines and travel agents.

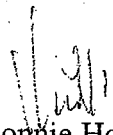
As mentioned in your letter dated 7<sup>th</sup> February 2005, the airlines recognized that travel agents were performing the task of actually collecting the APDT when passengers purchased tickets from travel agents. We believe Airlines should realize the fact that Travel Agents' request for the remuneration for the job they have done is absolutely fair. In order to expedite the matter which has dragged on for years, we hereby request your member airlines to reimburse the administrative cost of 2.12% of the APDT, i.e. \$2.54, to our member agents for the collection of APDT. If there is no substantive progress achieved on the matter by the end of July, we do not rule out the possibility of further action to be taken.



I look forward to your favourable reply.

Yours sincerely

TRAVEL INDUSTRY COUNCIL OF HONG KONG

  
Rommie Ho

Chairman

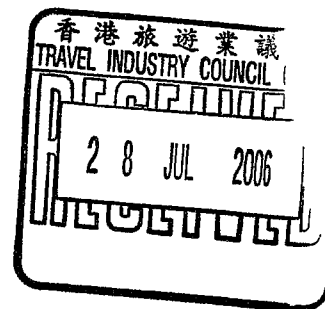




Your Ref: - CM/JM/374/2006

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