

Canada Revenue Agency

Notice

ET/SL-0050

March 23, 2004

Notice to All Air Carriers: Rate Reductions for the Air Travellers Security Charge

Travellers pay the Air Travellers Security Charge (ATSC) on the acquisition of air transportation services for travel within Canada and from Canada to foreign destinations.

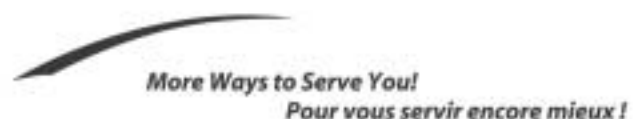
Currently, for domestic air travel acquired in Canada, where the GST/HST applies at the rate of 7% or 15% for the air transportation service, the ATSC is \$6.54 for each chargeable emplanement, to a maximum of \$13.08. Where the GST/HST does not apply, the ATSC is \$7.00 for each chargeable emplanement, to a maximum of \$14.00. For air travel to a destination outside Canada that is within the continental zone (Canada, United States [except Hawaii] and the Islands of St. Pierre and Miquelon) and where the GST/HST applies at the rate of 7% or 15%, the ATSC is \$11.22 for each chargeable emplanement, to a maximum of \$22.43. Where the GST/HST does not apply, the ATSC is \$12.00 for each chargeable emplanement, to a maximum of \$24.00. For air travel to destinations outside the continental zone, the ATSC is \$24 where there is a chargeable emplanement.


As announced by the Minister of Finance in the March 23, 2004 Budget, the new reduced ATSC rates will be as follows:

For domestic air travel acquired in Canada, where the GST/HST applies at the rate of 7% or 15% for the air transportation service, the ATSC is \$5.61 for each chargeable emplanement, to a maximum of \$11.22. Where the GST/HST does not apply, the ATSC is \$6.00 for each chargeable emplanement, to a maximum of \$12.00.

For air travel to a destination outside Canada but within the continental zone, where the GST/HST applies at the rate of 7% or 15%, the ATSC is \$9.35 for each chargeable emplanement, to a maximum of \$18.69. Where the GST/HST does not apply, the ATSC is \$10.00 for each chargeable emplanement, to a maximum of \$20.00.

For air travel to destinations outside the continental zone, the ATSC is \$20 where there is a chargeable emplanement.



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These reduced ATSC rates will apply to air travel purchased on or after April 1, 2004, that includes a chargeable emplanement on or after April 1, 2004. For specific details regarding these rate reductions, please refer to the Notice of Ways and Means Motion tabled by the Minister of Finance, which can be found at <http://www.fin.gc.ca>. There will be no refunds for ATSC amounts paid before April 1, 2004, even if the travel takes place on or after April 1, 2004.

Who can I contact?

Should you have any questions about these rate changes or any other ATSC matter, please call one of the following CRA offices:

Excise and Other Levies Unit at the Summerside Tax Centre
Individuals in Canada and the United States may call toll-free at (877) 432-5472. Individuals outside these countries may dial (902) 432-5472. Service is available in both English and French.

Montreal Tax Services Office
1-800-877-9277

Mississauga Tax Services Office
(905) 277-6475

Burnaby-Fraser Tax Services Office
(604) 587-2611