



Philippine Tourism Authority MANILA

MEMORANDUM CIRCULAR NO. 02-2003

TO: ALL CONCERNED
RE: TRAVEL TAX ON FOREIGN ISSUED TICKETS

To prevent collection of travel taxes on foreign issued tickets by unauthorized person, we are reminding all concerned to comply with Rule X of the Implementing Rules and Regulations on Travel Tax which provides that in the case holders of tickets issued and/or purchased abroad the same are taxable under Presidential Decree No. 1183, as amended, the travel tax shall be paid directly to the Philippine Tourism Authority (PTA) and shall not be collected abroad by the carriers or their agents.

The rule further requires that carriers or their duly authorized representatives shall not validate the bookings or reservation of holders of these tickets unless a Certificate of Travel Tax Payment (PTA Form No.357), Travel Tax Exemption Certification (PTA Form No. 354), or Reduced Rate Certificate (PTA Form No. 355), as the case may be, from the PTA, is submitted. In lieu of the Certificate of Travel Tax Payment, a PTA Official Receipt will suffice for validation purposes.

The following penalties shall be imposed on any person convicted of violating or causing another to violate any provision of said Decree or of the Rules and Regulations issued pursuant thereto, or makes any material misrepresentation in connection therewith, viz:

1. Imprisonment of not less than two (2) years but not more than five (5) years, or a fine of not less than TWO THOUSAND (Php2,000) PESOS, but not more than TEN THOUSAND (Php10,000) PESOS, or both at the discretion of the Court.
2. In addition, such violation shall *ipso facto* constitute a valid ground for the revocation of all privileges, permit and authorization granted to such person or entity by the Department of Foreign Affairs, Department of Tourism, Department of Trade, the Board of Investments or other government agencies.
3. If the offender is a corporation, firm, partnership or association, the penalty shall be imposed upon the principal officer or officers, as the case may be, and if such officer or officers are aliens, in addition to the penalties prescribed, he or they shall be deported without further proceedings on the part of the Commission on Immigration and Deportation.
4. If the offender is a public official of employee, he shall, in addition to the penalties prescribed, be dismissed from the service and suffer perpetual disqualification to hold public office.

7 May 2003, Manila, Philippines

In service to God, country and the Filipino people.

(original signed)

ROBERT DEAN S. BARBERS

General Manager & Chief Executive Officer