

IATA clarifies industry stance on Dominican Republic Tourist Card fee collection

14 November 2022 (Miami)- The International Air Transport Association (IATA) wishes to clarify the industry's position on the collection of the tourist card tax on airline tickets for flights to the Dominican Republic.

In the interest of finding a workable solution for all parties concerned, IATA along with the airlines serving the Dominican Republic have held several discussions with the Junta de Aviacion Civil (JAC). The industry once again emphasized that the exemption for Dominican Republic Citizens and foreign nationals outlined in Resolution 217-2022 cannot "simply" be implemented into the global reservation system as these cannot differentiate chargeable taxes according to nationality.

Finding an industry wide solution is extremely complex, costly and time-consuming and contravenes the principle of global industry standards. For example, the nationality of a passenger plays no relevance at the time when customers search for fares nor during the purchasing process. Therefore, it is utterly unfair to demand that airlines seek, create and implement a solution to an already standardized global process for one single country.

In 2017, when airlines were first approached by the Government of the Dominican Republic with the request to incorporate this tax for the tourism card as part of the ticket sales process, IATA informed the authorities that exemptions based on nationality could not be applied via the airline sales systems. Therefore, exemptions for citizens of the Dominican Republic, foreign residents and those nationals falling under specific bi-lateral arrangements, could not be programmed.

Aware of the limitations, the government nevertheless instructed that the tax be collected via the airline tickets, agreeing to refund exempted passengers through a portal to be set up by Direccion General de Impuestos Internos (DGII). A Presidential Decree 430-17 and General Norm 08-2018 was issued to this effect to which airlines have complied. All funds collected since April 2018 on behalf of the government have been passed on by the airlines to the relevant authority in the Dominican Republic.

Furthermore, the JAC's statement that they are following the International Civil Aviation Organization's (ICAO) recommendations on having the tax collected by the airlines is also incorrect. The relevant ICAO doc 9082 refers to passenger service charges, which are designed and applied specifically to recover the costs of providing facilities and services for civil aviation. A tax however is a levy that is designed to raise national or local government revenues, which are generally not to be applied to civil aviation.

In the spirit of collaboration and finding a workable solution, the industry has proposed the removal of the tax from the airline's ticket and collection via an online portal. Several examples that have been successfully implemented for similar collections have been provided to the JAC. These include:

Canada:

The 'electronic Travel Authorization (eTA)' is required for passengers visiting Canada from a visa-exempt country, or passengers who meet certain criteria based on residency. Passengers must visit the Government of Canada's official website prior to arrival to apply and pay for their eTA.

Suriname

Passengers travelling to Suriname for tourism purposes must purchase a tourist card. The respective website is managed by the government which ensures that applicable exemptions are observed.

Bonaire

Visitors to Bonaire can pay the 'visitor entry tax' online prior to their trip, using the government's dedicated website. Residents and citizens are exempted from paying the tax.

As an industry we recognize that the current situation is unfair to citizens of the Dominican Republic, foreign residents and other exempted passengers. However, this an issue that can only be resolved by the Government of the Dominican Republic and not the airlines.

Tourism is a main industry for Dominican Republic and airlines continue to demonstrate their commitment to serving the country. In 2021 travel and tourism accounted for 11.8% of GDP and provided over 749,600 jobs in the country. As a key market in the region with whom the industry has always worked in great partnership, it is very disappointing how the JAC continues to negatively portray the industry to the people of the Dominican Republic.

- IATA -

More information:

Corporate Communications – Latin America and the Caribbean

Tel: +1 - 438 - 258 3155 o + 1-514-240 4746

Email: ruedigerm@iata.org

Notes for the editors:

- IATA (International Air Transport Association) represents some 290 airlines comprising 83% of global traffic.
- You can find updated information announcements, policy positions and other useful industry information - at http://twitter.com/iata