

Air Travel Tax Manual

February 2011

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1. Introduction

An excise duty, called Air Travel Tax (ATT), has been applied to departures of passengers on flights from certain Irish airports. This Manual outlines the main features of ATT, by reference to the governing legislation.

2. Legislation

The operation of ATT is governed by section 55 of the Finance (No. 2) Act 2008, as amended by section 18 of the Finance Act 2009 and section 48 of the Finance Act 2011, and the Air Travel Tax Regulations 2009 ([S.I. No. 134 of 2009](#)).

3. Application of tax

Subject only to the exemptions detailed below, ATT applies to all departures of passengers on flights from relevant Irish airports on or after 30 March 2009.

ATT applies as and from that date irrespective of when a passenger booked or paid for the flight.

4. Exemptions

ATT won't apply in the case of an aircraft not capable of carrying 20 or more passengers. It doesn't apply, therefore, to flights to or from Irish islands.

The tax does not apply to flights from airports where the number of departures of passengers in the previous calendar year was less than 50,000. ATT applies, therefore, to departures from Dublin, Cork, Shannon, Waterford, Kerry, Galway and Knock Airports, but does not apply to departures from Donegal Airport, Carrickfinn, Co. Donegal, or from Sligo Airport, Strandhill, Co. Sligo.

In addition, the following persons are exempt from the tax:

- Members of the aircraft crew (including any relief crew);
- A child under the age of two who does not occupy a seat on the aircraft;
- A disabled person, and one person accompanying the disabled person for the purposes of providing care and assistance; and
- Transit and transfer passengers.

The exemption for disabled persons applies only where the disabled person has requested and availed of assistance from the airline in accordance with Council Regulation 1107/2006 concerning the rights of disabled persons or persons with reduced mobility when travelling by air.

A transit passenger means a passenger who is on board an aircraft which lands at an airport in the course of its journey and who continues his or her journey on that aircraft. A transfer passenger means a passenger who arrives on a flight to an airport and who leaves on a further flight (other than to the airport where the passenger's journey started), where both flights are part of a single booking and there is not more than six hours between the scheduled time of arrival of the first flight and the scheduled time of departure of the second.

5. Rates of ATT

The rate of ATT from 1 March 2011 is €3 per passenger departing from an airport.

Until then, a rate of €2 applies where the flight is to a destination located not more than 300 kilometres from Dublin Airport. This covers all flights within Ireland and flights to the following locations in the UK: Cardiff, Glasgow, Prestwick, Liverpool, Manchester, Blackpool and Isle of Man. A rate of €10 applies to flights to any other destination.

6. Liability for ATT

An airline operator is liable for paying and returning ATT in respect of passengers departing on its aircraft, and must register with Revenue for the purposes of the tax.

The Revenue Commissioners have power to require airlines to provide security for the payment of ATT. Security for payment of the tax could be required, for example, where an airline does not comply satisfactorily with filing and payment requirements. If security is being required, Revenue will inform the airline operator concerned of the amount and form of security that must be provided.

If an airline fails to provide security for payment of ATT as required by Revenue, Revenue may then serve notice on the airline's groundhandling supplier. This notice will indicate that, as and from a specified date, the groundhandling supplier will be liable for the ATT on departures on the airline's flights.

7. Registration for ATT

Every airline operator must register with Revenue for the purposes of ATT, using the form [AT1](#). In the case of an airline operator who begins to operate after 30 March 2009, registration must be completed before the airline operator commences flights from Ireland.

8. Payment

ATT is payable to the Collector-General. The tax for a given month must, under Regulation 7 of the Air Travel Tax Regulations 2009, be paid not later than the 23rd of the following month.

ATT must be paid electronically through ROS (Revenue's On Line Service) and all taxpayers must have a current account in an Irish-based financial institution for that purpose.

In accordance with section 103(2) of the Finance Act 2001, interest is chargeable where ATT is not paid by the due date, at the rate of 0.0322 per cent for each day or part of a day before 1 July 2009, and 0.0274 per cent for each day or part of a day after 1 July 2009, during which the amount due remains unpaid.

The provisions relating to collection and recovery of tax, as amended by section 97 and Schedule 4 of the Finance (No. 2) Act 2008, apply in relation to ATT. The powers of assessment under section 99A (inserted by section 46 of the Finance (No. 2) Act 2008) of the Finance Act 2001 also apply.

9. Returns

In addition to the monthly payments of ATT, taxpayers have to furnish to the Revenue Commissioners, by electronic means, a detailed annual return in relation to the tax. The annual return for a year must be submitted not later than 23 February of the following year, in accordance with Regulation 8 of the Air Travel Tax Regulations 2009. This must include details of the numbers of departures liable at each rate of ATT and the numbers of persons carried by the airline operator who are exempt from ATT.

(The Taxes (Electronic Transmission of Air Travel Tax Returns) (Specified Provisions and Appointed Day) Order 2009 ([S.I. No. 135 of 2009](#)) applies Chapter 6 of Part 38 of the Taxes Consolidation Act 1997 to these annual returns.)

10. Exclusions from requirement to make payments and returns electronically

A person who must make ATT payments or returns can request to be excluded from the requirement to do so electronically, on the grounds of lack of capacity. The procedures in relation to such requests, which include a right of appeal to the Appeal Commissioners, are set out in Regulations 9 to 11 of the Air Travel Tax Regulations 2009.

11. Records

Airline operators, groundhandling suppliers and airports will have to keep records (on passenger numbers, etc) relevant to the tax. The specific requirements are set out in Regulation 15 of the Air Travel Tax Regulations 2009.

12. Offences and Penalties

It is an offence, under section 55(6) of the Finance (No. 2) Act 2008, to contravene or fail to comply with the provisions of ATT law, and a person convicted of such an offence is liable on summary conviction to a fine of €5,000. This is a standard excise law provision, and there are similar provisions for all of the other excise duties.

Fraudulent evasion of ATT is covered by section 1078 of the Taxes Consolidation Act 1997. That section provides for the prosecution of such offences either summarily or on indictment, and allows the imposition, on conviction on indictment, of a fine not exceeding €126,970 or a term of imprisonment not exceeding 5 years, or both.

13. Management of ATT

For further information contact:

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14. Information for Air Travel Operators

A Guide to Air Travel Tax is available at www.revenue.ie.