

# **Update on IATO Activities (Thursday 16<sup>th</sup> February to Tuesday 28<sup>th</sup> February 2023)**

**Dear Members**

Greetings

Please find appended relevant activities of our association for the period (Wednesday 1st February to Wednesday 15th February 2023)

Segments covered are

- 1. Communication / Letters that addressed key issues**
- 2. Webinars/ Panel Discussions/Circulars/Meetings/Chapter news**
- 3. Media Coverage**
- 4. Chapter News**

Request your feedback to further the content of our weekly report.

## **1. Communication / Letters that addressed key issues**

**Segment 1 update sequence by date: 16,22 February**

### **Thursday 16<sup>th</sup> February**

**IATO wrote to Mr. K.C. Varshney, Joint Secretary Tax Policy and Legislation (TPL-I) , Central Board of Direct Taxes on the Increase in TCS rate from 5 % to 20 % causing business loss to tour operators based in India**

The Proposed Finance Bill 2023 had an amendment in TCS ( tax collection at source) that Overseas Tour Packages for Indian nationals now would attract TCS @ 20% (currently 5%) which will have a tremendous negative impact on Indian travel industry. This TCS has to be collected by tour operators and travel companies based in India and does not apply to tour operators based outside India.

The sole purpose of introducing TCS on foreign travel was to bring more and more people in the TAX net. But if any of the traveler in India who book tour through a foreign tour operator who was based outside India will not come in the ambit of TAX net. By increasing TCS rate from 5% to 20%, this would negatively impact the business of Indian Tour operators as this will discourage Indian travellers to book their tour packages through a tour operator/travel company based in India and will encourage travellers to book their travel through foreign operators who are based outside India.

In view of the above, it was requested to roll back the TCS rate to 5%, rather it should be reduced to 2.5% so that more and more people book their foreign trip through tour operators based in India and come in the TAX net. With this it will help to bring more and more people into Tax net.

*A copy of the letter was marked to **A. Ms. Pragya Sahay Saksena, Member (Legislation & Systems), Central Board of Direct Taxes, B. Mr. Arvind Singh, Secretary Tourism - With the request to kindly help the Outbound Tour Operators***

## **Wednesday 22<sup>nd</sup> February**

- **IATO requested Shri Vinay Kwatra, Foreign Secretary to re-store e-Visa for Gulf and other important source markets**

IATO requested for revival of e-Visa for the countries like Bahrain, Kuwait, Saudi Arabia and Kuwait which are important source markets for inbound tourism to India and tourists from these countries were very high spenders who came on holidays in our country and use deluxe hotels and high end vehicles, which will help us to revive tourism to India and bring it to the pre- covid level and would also help in re-generating employment in our country and earn foreign exchange.

Arabian Travel Mart is going to be held from 1<sup>st</sup> to 4<sup>th</sup> May, 2023 in Dubai. We expect huge footfall in the exhibition from the entire Gulf Region and the Indian Tourism can benefit with large number of tourists coming from these countries. However, due to non-availability of E-Visa there would be questions from our counterparts from these countries. More over after declaration of '**Visit India Year 2023**' we expect with lot of overseas promotions, India shall attract huge number of foreign tourists to India during this period.

**A copy of the letter was marked to Shri Arvind Singh, Secretary, Ministry of Tourism and Mr. Rakesh Kumar Verma, Additional Secretary, Ministry of Tourism, Government of India.**

## **Thursday 23<sup>rd</sup> February**

**IATO wrote to Mr. Arvind Singh, Secretary (Tourism) regarding the participation of Ministry of Tourism, Govt. of India by setting up India Pavilion in Arabian Travel Mart 2023**

Arabian Travel Mart would be held from 1<sup>st</sup> to 4<sup>th</sup> May 2023 at the Dubai World Trade Centre. IATO was getting queries from its members seeking to know, whether Ministry of Tourism *would be* participating and setting up India Pavilion at ATM or not and if not IATO should request the Ministry to setup India pavilion at ATM and let the industry know well in advance as it needed a lot of planning and preparation.

*A Copy of the letter was marked to **A. Mr. Rakesh Kumar Verma, Additional Secretary and B. Mr. Roshan M. Thomas, Deputy Secretary Ministry of Tourism, Government of India***

## 2. Webinars/ Panel Discussions/Circulars/Meetings

*Segment 2 update sequence by date: 19, 22, February*

### Sunday, 19<sup>th</sup> February

- IATO Annual Carnival was all fun and camaraderie where everyone enjoyed over games, food, prizes, interaction and a special gift for the family







## Wednesday 22<sup>nd</sup> February

President, VP and Regional Chairman with the Hon'ble Tourism Minister of Odisha. The proposal for the organising the 40<sup>th</sup> IATO Convention in 2025 at Puri was submitted to the Hon'ble Tourism Minister.



# Thursday 23<sup>rd</sup> February



- President Mr Mehra and IATO East India chairman Mr JK mohanty at the Odisha Tourism Conclave
- President speaks.....



- Vice President Mr Ravi Gosain at the validity session of the Odisha Tourism Conclave along with the TOURISM MINISTER of Odisha on the Dias

