

[MIAA MEMORANDUM CIRCULAR NO. 08, October 01, 2014]

**IMPLEMENTING GUIDELINES FOR THE INTEGRATION OF
INTERNATIONAL PASSENGER SERVICE CHARGE (IPSC) INTO
THE AIRLINE TICKET AT POINT OF SALE**

*Adopted: 15 September 2014
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I. GENERAL STATEMENT

1. It is the policy of the government to remove the unnecessary barriers to travel and simplify travel regulations. Executive 903, creating the Manila International Airport Authority (MIAA), Section 4 (b) states thus: "To formulate and adopt for application in the Airport, internationally acceptable standards of airport accommodation and service; Section 5 (c) to promulgate rules and regulations governing the planning, development, maintenance, operation and improvement of the Airport...; (n) To perform such other acts and transact business, directly or indirectly necessary, incidental or conducive to the attainment of the purposes and objectives of the Authority, including the adoption of necessary measures to remedy congestion in the Airport."
2. There is an urgent need to address the congestion in all Ninoy Aquino International Airport (NAIA) Terminals with the increasing volume of passengers through the adoption of immediate measures to dramatically trim down the processing time of passengers, thereby promoting smoother, seamless, convenient, safe and hassle-free travel experience;
3. The MIAA and the Air Carriers recognize that such congestion and queuing problems will escalate further as traffic volume continuously increases and must be urgently addressed;
4. One measure to address congestion is to integrate the IPSC at the point of sale where the collection will be performed by the Air Carrier for every international air ticket purchased with enplanement from Manila;

II. PURPOSE AND SCOPE

5. This Memorandum Circular (MC) defines the policies and provides uniform procedures in the collection, remittance and reporting of the IPSC, the exemptions therefrom and the penalties for violations of these Policies and Guidelines.

III. DEFINITION OF TERMS

6. For purposes of this Memorandum Circular the following terms shall mean:
 - a. Air Carrier- refers to an airline operator with international operations.

- b. Business Hours – shall mean 8:00am to 5:00 pm. Mondays to Fridays exclusive of holidays at the MIAA Administration Building. Refund at the Terminals will be on a 24-hour basis.
- c. Collection – refers to the process of receiving payment of IPSC by the Air Carrier from the departing passenger at the point of sale of the airline ticket.
- d. Collection Month – refers to calendar month, beginning on the 1st up to the last day thereof.
- e. Departing Passenger – refers to any person carried or to be carried by the Air Carrier departing NAIA Terminals.
- f. Exemption Certificate – refers to the following:
- i. Overseas Employment Certificate (OEC) – document issued by the Philippine Overseas Employment Administration (POEA) certifying bearer as a legitimate Overseas Filipino Worker (OFW) which serves as exemption for OFWs from payment of IPSC.
 - ii. MIAA Exemption Certificate (MEC) – document issued by the MIAA certifying bearer as a legitimate exempted passenger under MIAA Administrative Order No. 01 series of 2000.
- g. Extra Crew – refers to additional crew and/or operating crew of the airlines listed in the flight's General Declaration.
- h. Infant – refers to any child who is below two years old at the time of departure.
- i. International Passenger Service Charge (IPSC) – refers to the terminal fee imposed by MIAA on departing passengers, presently pegged at Php 550.00 inclusive of 12% EVAT.
- j. Internationally-Recognized Exempted Passenger – refers to Infants, Flight and Extra Crew.
- k. Locally-Recognized Exempted Passenger – refers to Overseas Filipino Workers (OFW), Pilgrims, Philippine Sports Commission (PSC) Delegates or others authorized by law and the Office of the President.
- l. MIAA – refers to the Manila International Airport Authority.
- m. Itinerary Receipt/Passenger Ticket – refers to a document, whether paper or electronic, that holds the required information in relation to the contract of carriage that allows passage to a passenger for air transportation.
- n. Remittance – refers to the payment by the Air Carrier to MIAA of IPSC collection received by the Air Carrier on behalf of MIAA.
- o. Remittance Period – shall mean on or before the end of the following month after the collection month.

p. Remittance Report – refers to a form containing all the necessary information for purposes of accounting the IPSC collections and remittance of the Air Carrier.

q. Transit Passenger – refers to a passenger who arrives on an aircraft from any international terminal and is not required to check-in boarding the aircraft to his intended destination.

IV. STATEMENT OF POLICY

7. The IPSC shall be collected from each departing passenger enplaning MANILA in the amount presently pegged at FIVE HUNDRED FIFTY PESOS (Php550.00).

8. The IPSC shall be integrated by default by the Air Carriers or its agents from the point of sale on cash or credit, covering the following transactions:

- a. Purchase through electronic site/web
- b. Purchase through agents
- c. Purchase through selling air carrier

9. The integration of the IPSC at the point of sale shall take effect for tickets issued or reissued beginning October 1, 2014.

10. The following passengers are not subject to the payment of the IPSC:

- a. Internationally-Recognized Exempted Passengers
- b. Locally-Recognized Exempted Passenger's subject to the following conditions:
 - i. passenger ticket is issued/reissued in the PHILIPPINES; and
 - ii. presentation and surrender of Exemption Certificate to air carrier or its agents upon ticket issuance

11. The Air Carrier shall be responsible for ensuring that IPSC has been included and paid in all Passenger Tickets issued to Departing Passengers showing enplanement from Manila, including non-revenue tickets.

12. The IPSC collected by the Air Carrier is to be regarded as monies held in trust on behalf of MIAA.

V. TRANSITION PERIOD

13. Within a period of one (1) year from October 1, 2014, MIAA shall, at designated collection counters, collect IPSC from Departing Passengers who have already been issued/reissued Passenger Ticket prior to October 1, 2014.

14. Upon presentation by the Departing Passenger for check in, the Air Carrier shall examine if the Passenger Ticket contains information about IPSC payment. The Passengers shall be encouraged to bring hard copy of the Itinerary Receipt during the transition period.

15. The following process shall be implemented during the transition period:

- a. Check-in
 - i. Departing Passenger proceeds to the check-in counter for processing.

The Air Carrier representative shall check when the ticket was issued. If the ticket was issued/reissued before October 1, 2014, the Air Carrier representative shall stamp "**PROCEED TO TERMINAL FEE COUNTER**" in red ink on the portion of the boarding pass retained by the MIAA. (Annex A- sample stamp) For this purpose, the Air Carrier shall ensure that all passengers are in possession of either a counter-printed or home-printed boarding pass.

ii. The Air Carrier Representative advises departing passenger to proceed to the terminal fee counter for payment of IPSC if ticket was issued/reissued prior to October 1, 2014.

Holders of boarding passes without stamp as stated above will proceed to the Immigration counters.

b. Payment of IPSC

i. MIAA teller examines the boarding pass to verify if boarding pass has red marking.

ii. MIAA teller collects IPSC payment from Departing Passenger who has not paid the IPSC.

iii. MIAA teller attaches the IPSC ticket, consisting of the inspector and passenger's copy to the boarding pass.

c. Inspection

i. MIAA inspector examines the boarding pass to ensure that those with red marks have IPSC receipt attached thereto. Otherwise, the Departing Passenger will be advised to pay the IPSC.

ii. After each flight, the Air Carrier representative surrenders the boarding passes together with the inspector's copy of IPSC receipt to the MIAA inspector who will count the same in the presence of the Air Carrier representative.

iii. The Air Carrier representative shall certify the total passenger load for each flight while the MIAA representatives shall certify to the correctness of the IPSC flight checklist (Annex B) containing the following information:

- 1) Air Carrier
- 2) Flight Number
- 3) Departure Date
- 4) Passengers with tickets issued on or after October 1, 2014
- 5) Passengers with tickets issued before October 1, 2014
- 6) Exemptions
- 7) Total Passenger Load

d. Reporting and Remittance