

**GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA**

UNSTARRED QUESTION NO:2481
ANSWERED ON:11.03.2010
COMMISSION TO TRAVEL AGENTS
Dhruvanarayana Shri R. ;Yadav Shri Ranjan Prasad

Will the Minister of CIVIL AVIATION be pleased to state:

- (a) the total number of air travel agents in the country;
- (b) the percentage of commission paid to these agents on sale of tickets;
- (c) whether there is a proposal to deduct tax at source on payment of commission to travel agents; and
- (d) if so, the details thereof; and
- (e) the steps taken to protect the interest of small agents?

Answer

MINISTER OF STATE (INDEPENDENT CHARGE) OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL)

- (a):- There are about 3000 Air Travel Agents in the Country.
- (b):- Travel agents are paid commission by the airlines at a mutually agreed rate. National Aviation Company of India Ltd. pays a commission of 3% on Basic Fare and Fuel Surcharge components, to the travel agents on sale of tickets.
- (c) to (e):- As per the current provisions of Section 194H of Income Tax Act, 1961, Commission Payments made to any person including Travel Agents the Tax Deduction at Source has to be done at the rate of 10%. However, to protect the interest of small Travel Agents, tax need not be deducted at source if payment does not exceed Rs. 2,500/-.