

**Autumn 2011**  
**Travel Trade licensing arrangements**  
Commission Notice 2/2011  
CN2/2011

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## **1. PURPOSE OF NOTICE**

1.1 This Notice sets out how the Commission will implement the travel trade licensing regime in the Autumn 2011 licensing round. The Commission's objective is to facilitate a smooth and orderly renewal of licences.

## **2. TIMETABLE FOR APPLICATIONS, DECISIONS, AND GRANTING OF LICENCES**

2.1 For Autumn 2011, the general approach to the licensing round will be as follows:

- The deadline for receipt of completed licence applications is 15th August
- The Commission, subject to receiving all necessary information and finding it satisfactory, aims to issue decision-in-principle letters within four weeks
- Applicants are allowed a maximum of a further five weeks to obtain a bond
- The Commission aims to grant licences within two weeks of receipt of a bond.

2.2 On this approach, the following deadlines arise:

<b>Date</b>	<b>Stage</b>
<b>18<sup>th</sup> July</b>	Opening of on-line licensing facility
<b>15<sup>th</sup> August</b>	Deadline for receipt of completed licence application at standard fee
<b>12<sup>th</sup> September</b>	Date Commission aims to issue decision-in-principle letters for applications made by 15 <sup>th</sup> August
<b>17<sup>th</sup> October</b>	Deadline for receipt by Commission of applicant's bond for licence to be granted by 1 <sup>st</sup> November

**Table 1: Autumn 2011 Licensing Timetable**

2.3 The Commission is mindful of the changed levels of credit in the current economic environment and the possible effects on applicants, particularly where they are reliant on bank facilities and bank guarantees. We strongly urge applicants to make contact with their bank at the earliest possible opportunity to ascertain what banking facilities they will be offered for the

period up to 31<sup>st</sup> October 2012. Where applicants expect to procure a bank bond, they should request their bank to put that process in to action immediately. Such facilities may have to be reviewed by decision makers other than local bank managers and in some cases outside the State which can mean long lead times in the process.

- 2.4 The Commission will adhere strictly to the deadlines set out in this Notice. A form will be available from the Commission’s website once the licensing round opens. This may be used to appeal against the charging of levies. The form must be submitted, prior to the deadlines concerned, to the Head of Licensing setting out for consideration the exceptional grounds for appealing the particular levy/ies. Consideration will not be given to appeals submitted after the relevant deadline.

### **3. FEES AND LEVIES: TRAVEL AGENTS**

- 3.1 A completed licence application submitted by the deadline of 15th August will attract the standard application fee of €300.
- 3.2 Applications received after 15th August 2011 but before the 1<sup>st</sup> of September will attract a levy of €1956 in respect of each application.
- 3.3 Applications received after 1<sup>st</sup> September will attract a levy of €3913 in respect of each application.

<b>Date of submission</b>	<b>Application fee</b>	<b>Levy</b>	<b>Total</b>
<b>By 15<sup>th</sup> August</b>	€300	0	€300
<b>After 15<sup>th</sup> August and before 1<sup>st</sup> September</b>	€300	€1956	€2256
<b>On or after 1<sup>st</sup> September</b>	€300	€3913	€4213

**Table 2: 2011 fees and levies: travel agents**

#### 4. FEE/STRUCTURE – TOUR OPERATORS

4.1 A completed licence application submitted by the deadline of 15<sup>th</sup> August 2011 will attract the standard application fee set out in the table below.

*Fees will be determined on the basis of projected licensable turnover for the year of the licence application (from 1<sup>st</sup> November 2011 to 31<sup>st</sup> October 2012) according to the following scale: -*

<b><u>Licensable Turnover</u></b>	<b><u>Fee</u></b>
€635,000 or less	€300
€635,001 but not exceeding €1,270,000	€600
€1,270,001 but not exceeding €3,810,000	€1,550
€3,810,001 but not exceeding €6,350,000	€2,150
€6,350,001 but not exceeding €12,670,000	€3,100
€12,700,001 but not exceeding €25,400,000	€7,800
For every €1,270,000 or part thereof in excess of € 25,400,000	€300
Additional Fee for new applicant	€300

**Table 3: 2011 fees: tour operators**

4.2 Applications received after 15<sup>th</sup> August 2011 but before the 1<sup>st</sup> of September will attract a levy of €1956 in respect of each application

4.3 Applications received after 1<sup>st</sup> September will attract a levy of €3913 in respect of each application

<b>Date of submission</b>	<b>Application fee</b>	<b>Levy</b>	<b>Total</b>
<b>Up to 15<sup>th</sup> August</b>	See Table 3	0	See Table 3
<b>After 15<sup>th</sup> August and before 1<sup>st</sup> September</b>	See Table 3	€1956	Table 3 plus €1,956
<b>On or after 1<sup>st</sup> September</b>	See Table 3	€3913	Table 3 plus €3,913

**Table 4: 2011 fees and levies: tour operators**

## **5. ACCOUNTS**

- 5.1 In support of a licence application, the Commission requires a set of audited financial accounts (or accounts exempted from audit, see 5.3) within 4 months of the end of the accounting year except that accounts with June year-ends are sought within three months (30<sup>th</sup> September).
- 5.2 Financial accounts that do not reach the Commission by the deadlines set out in 5.1 will incur a levy of €1956 in respect of applicants who have a travel agent licence and €3,913 in respect of applicants who have a tour operator licence. A holder of both licences would pay both levies.
- 5.3 Accounts may be exempted from audit. In January 2011, the Commission issued a Notice (CN1/2011), which is available from [www.aviationreg.ie](http://www.aviationreg.ie), which removed the automatic requirement for licence applicants to produce audited accounts. The grounds for exemption and the procedure by which an applicant may be exempted are set out in that Notice. Licence holders who believe they may be exempt from the audit requirement should complete an Audit Exemption Form, available from [www.aviationreg.ie](http://www.aviationreg.ie), and submit it to:

[exemptrequest@aviationreg.ie](mailto:exemptrequest@aviationreg.ie)

- 5.4 Licence holders whose current licences expire on 31<sup>st</sup> October 2011 and who wish to avail of the exemption are invited to apply to the Commission before 18<sup>th</sup> July 2011 (the commencement date for autumn 2011 online licensing). The Commission aims to issue a response to fully completed and signed Audit Exemption Forms within one week of receipt of the form i.e. by Friday 22<sup>nd</sup> July 2011 in the case of applications received before 18<sup>th</sup> July 2011.

## **6 APPLICANTS WITHOUT A LICENCE FROM 1<sup>ST</sup> NOVEMBER**

- 6.1 The Commission only commits itself to grant licences by 1<sup>st</sup> November 2011 to those applicants who provide a bond to the Commission by 17<sup>th</sup> October.
- 6.2 Applicants without a bond by 17<sup>th</sup> October 2011 have no assurance of having a licence by 1<sup>st</sup> November 2011. To protect customers who made bookings

under the current licence, such applicants will be required to obtain a new bond for the new licensing period while retaining the bond on the existing licence. This means that there will be two separate bonds in existence for a period of six months (provided a second bond can be obtained while the earlier bond still has a liability attaching to it. This cost can be avoided by making timely arrangements to secure a bond.

- 6.3 The Commission strongly recommends that applicants start the bond search process no later than at the time of submitting a licence application to the Commission. Bond documentation will be available on the Commission's website from the date of opening of the online licensing facility.
- 6.4 Those applicants who have not secured a licence by 1<sup>st</sup> November 2011 must:
- not carry on business as a travel agent or tour operator or hold themselves out as carrying out such business,
  - confirm to the Commission that they will not trade until a new licence is issued.