

# **Regulations Governing Tariffs for Passengers and Cargo Air Transportation**

The current regulation is amended and published by the Ministry of Transportation and Communications Order JAO-HANG No. 0950085049 on September 1, 2006.

The current regulation is amended and published by the Ministry of Transportation and Communications Order JAO-HANG No. 10350149191 on November 24, 2014.

## Article 1

The subject regulations are enacted in accordance with the terms in the Civil Aviation Act, second paragraph of Article 55.

## Article 2

The terms contained in these Regulations are defined below:

1. Tariffs for passengers and cargo: means passenger fares, luggage and cargo rates as well as any surcharges charged by a Civil Air Transport Enterprise engaging in the transportation of passengers, luggage and cargo by aircraft.
2. Restrictions on application: means applicable rules specified by a Civil Air Transport Enterprise for various tariffs for passengers air transportation, such as: applicable periods, designated flights, stay periods, change of reservation, ticket refund and endorsement.
3. Surcharge: means the extra charges charged by a Civil Air Transport Enterprise in addition to air ticket fares, luggage or cargo rates within a certain period for the purpose of covering tremendous fluctuations of a single specific cost item.
4. The date of filing for record: means the date when the Civil Aviation Administration, Ministry of Transportation and Communications (hereinafter referred to as the “CAA”) receives the notification from a Civil Air Transport Enterprise for record of its passenger and/or cargo transportation tariffs.
5. Full passenger fares: means the fares for economic class of domestic air routes with a one-year period validity and without any restriction on application.
6. Preferential proposals: means preferential fares lower than the full fares for passenger transportation of domestic air routes, excluding the statutory discounted fares specified in Article 8.

## Article 3

A Civil Air Transport Enterprise shall file for record to MOTC through CAA of its

tariffs for passengers and cargo transportation and restrictions on application on international scheduled air routes. It shall come into force on the next day starting from the date of filing for record, but the surcharges shall come into force on the 7<sup>th</sup> day starting from the date of filing for record. The same procedure applies in the event of changes.

#### Article 4

A Civil Air Transport Enterprise operating domestic scheduled air routes shall submit the following documents relevant to its operational air routes to MOTC through CAA to approve the ceiling and bottom tariffs for passengers and/or cargo transportation. The same procedure applies in the event of changes.

1. Statistical analysis for traffic volume.
2. Operating revenue.
3. Analysis for operating cost.
4. Analysis for financial statement.

#### Article 5

For handling the items of the preceding article, CAA shall invite representatives of related organizations, scholars, experts or impartial citizens to examine the ceiling and bottom tariffs for passengers and/or cargo transportation and report to MOTC for approval accordingly.

#### Article 6

A Civil Air Transport Enterprise shall notify CAA for record of its own full passenger fares decided within the range of the approved ceiling and bottom tariffs, rates of cargo and luggage, and surcharges. It shall come into force on the 30<sup>th</sup> day starting from the date of filing for record. The same procedure applies in the event of changes.

#### Article 7

In order to meet the particular demands during the legal consecutive holidays of which period is equal to or more than three days and for CAA or its airports to require adding non-preplanned extra flights to evacuate passengers, a Civil Air Transport Enterprise can specify the restrictions on application which shall come into force after CAA's approval approved.

#### Article 8

The Civil Air Transport Enterprises operating domestic scheduled air routes shall provide concessionary fares according to the relevant laws and regulations as follows:

1. Providing a fifty (50) percent discount fares for the senior citizens according to Senior Citizens Welfare Act.
2. Providing a fifty (50) percent discount fares for the passengers with physical or mental disability and one of his/her necessary companions according to People with Disabilities Rights Protection Act.
3. Free for children under 2 years old without a seat accompanied by an adult according to The Protection of Children and Youths Welfare and Rights Act.

The difference between the full passenger fares and the concessionary fares mentioned in the preceding paragraph shall be taken into considered for calculating the ceiling and bottom tariffs before MOTC coordinating with the relevant authorities to budget the subsidies for the difference.

#### Article 9

A Civil Air Transport Enterprise operating domestic scheduled air routes may set up preferential proposals for promotion, but the fares shall not go beyond the range between the ceiling and bottom tariffs approved by MOTC.

In the event that the forgoing paragraph is applicable, the Civil Air Transport Enterprise shall notify CAA for record of its fares and restrictions on application. It shall come into force on the next day starting from the date of filing for record. The same procedure applies in the event of changes.

#### Article 10

In case of publishing new tariffs or changing the existing tariffs for passengers and cargo, restrictions on application, a Civil Air Transport Enterprise shall give well publicity in order to create a better understanding for the public and shall adequately reveal the restrictions on application of tickets to passengers before selling.

#### Article 11

A Civil Air Transport Enterprise may use the on-line information system designated by CAA for filing the tariffs or the restrictions on application regulated on the provisions of Article 3, Article 6, Article 7 and Article 9.

#### Article 12

The subject regulations shall come into force as of the date of promulgation.