

1. Owner of excursion bus sells OWN tour package

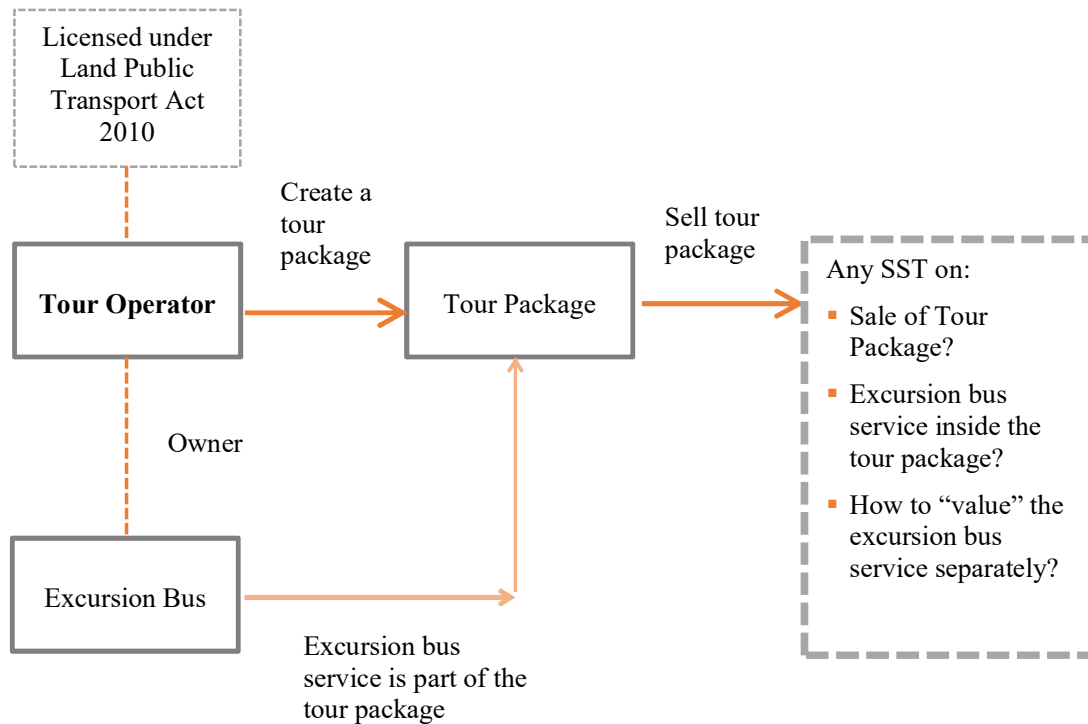
Scenario 1

If the Tour Operator:

- (a) Is the owner of the excursion bus; and
- (b) Is licensed under the Land Public Transport Act 2010; and
- (c) Sells a tour package (which includes excursion bus transportation bundled inside the tour)

Questions that arise are:

- 1.1. In view that the tour package has transportation bundled inside it, is there any is the Service Tax chargeable on the whole tour package?
 - 1.1.1. If yes, is the Service Tax charged on the entire tour package price or only on the “excursion bus service”?
 - 1.1.2. If Service Tax is only to be charged on the “excursion bus” portion of the tour, then since the bus owner is selling an entire tour package and not a bus service, what “value” to use to determine the excursion bus service for SST purpose?



2. Owner of excursion bus RENTS OUT bus (with driver) to other persons

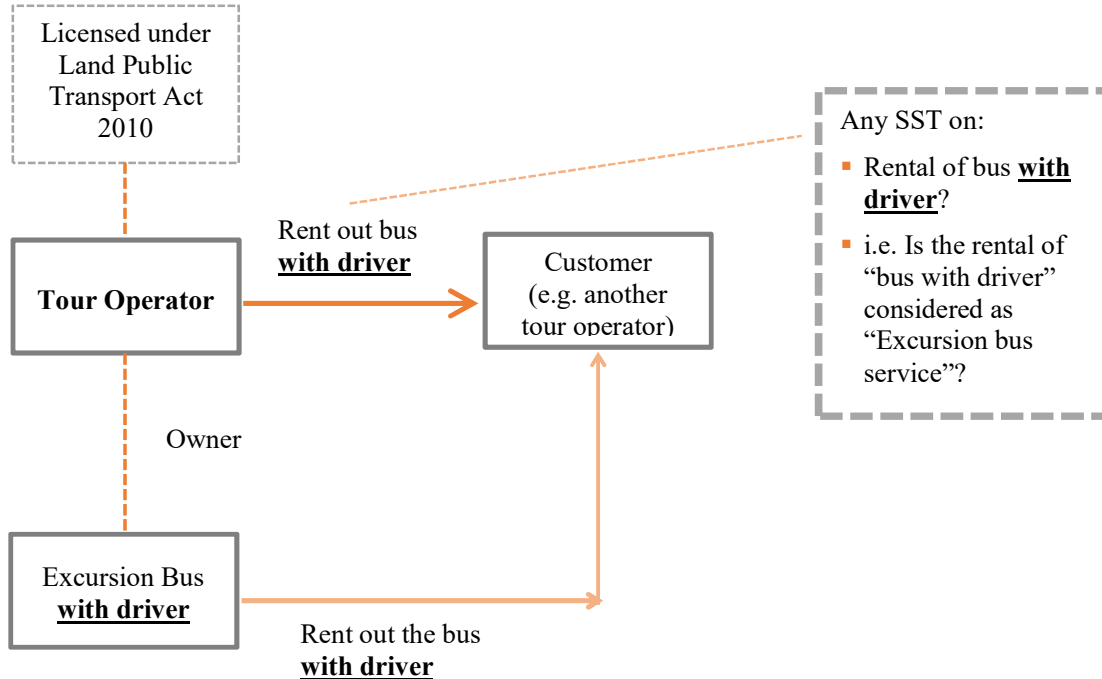
Scenario 2

If the Tour Operator:

- (a) Is the owner of the excursion bus; and
- (b) Is licensed under the Land Public Transport Act 2010; and
- (c) “Rents out” the bus **with bus driver** to another person e.g. another tour operator

Questions that arise are:

- 2.1. Does the bus owner need to charge SST on the “rental with driver”?



3. Owner of excursion bus RENTS OUT bus (no driver) to other persons

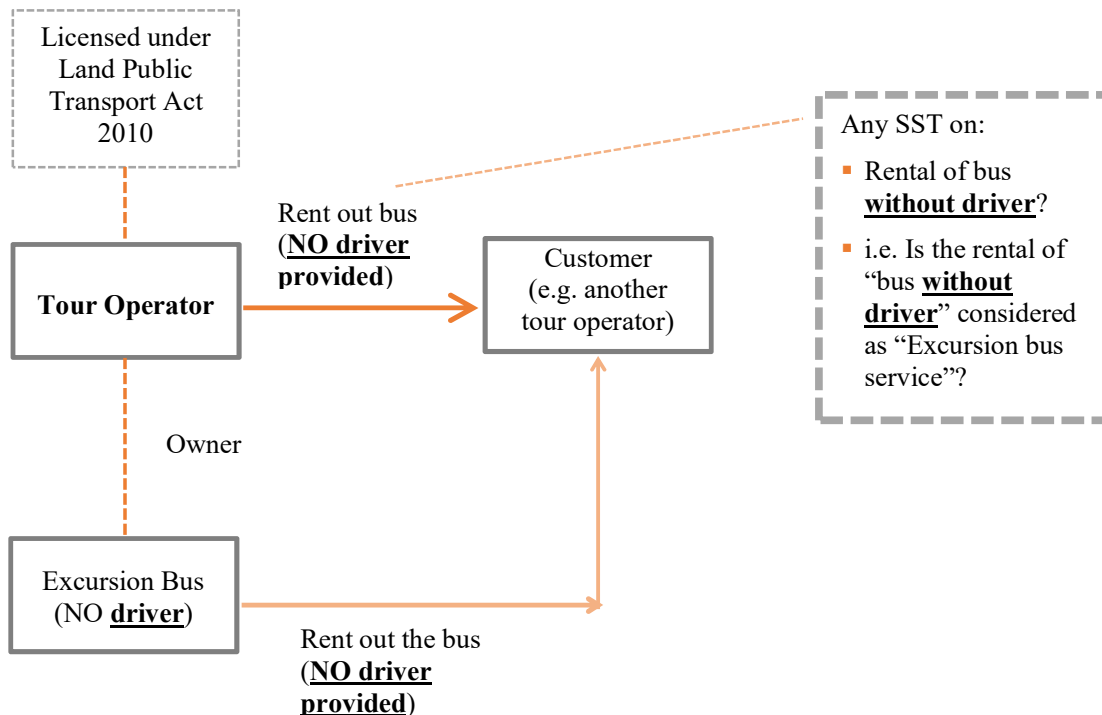
Scenario 3

If the Tour Operator:

- (a) Is the owner of the excursion bus; and
- (b) Is licensed under the Land Public Transport Act 2010; and
- (c) “Rents out” the bus (**without bus driver**) to another person e.g. another tour operator

Questions that arise are:

- 3.1. Does the bus owner need to charge SST on the “rental **without driver**”?



4. Tour Operator does NOT own any excursion bus

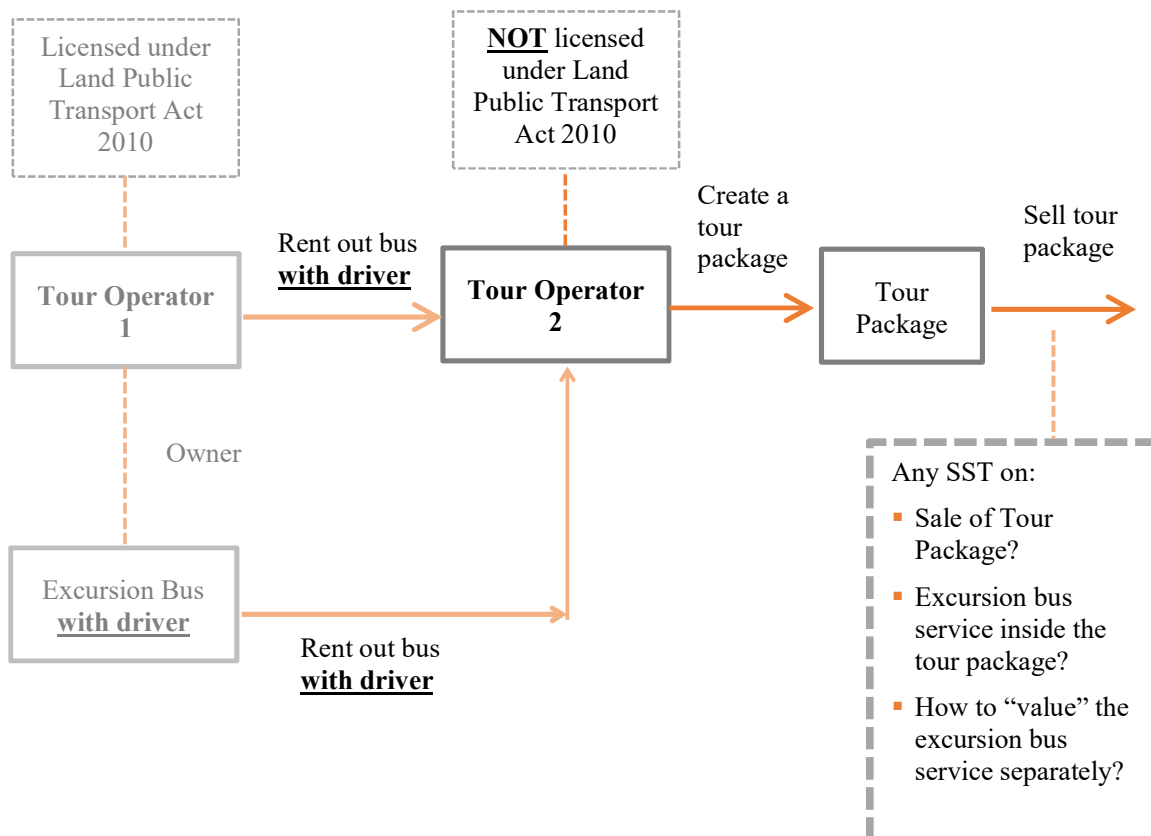
Scenario 4

If the Tour Operator (called “ Tour Operator 2 ”):

- (a) Is **NOT** licensed under Land Public Transport Act 2010; and
- (b) Does **NOT** own the excursion bus; and
- (c) Rents an excursion bus **with driver** from another person; and
- (d) Creates a tour package (including bus transportation); and
- (e) Sells this tour package.

Questions that arise are:

- 4.1. Is there any SST charged on the sale of tour package by Tour Operator 2?
 - 4.1.1. If yes, is the SST charged on the entire tour package price or only on the “excursion bus service”?
 - 4.1.2. If only on the bus service, how to determine the “value” of the excursion bus service?
- 4.2. Will there be any “double tax” or “tax cascade” if the excursion bus service is already charged with SST by the excursion bus owner?
- 4.3. Will the answer to 4.1 series and 4.2 be different if the bus is rented **without driver**?



5. Tour Operator is licensed under Land Public Transport Act 2010 but needs to rent additional buses from other bus owners

Scenario 5

If the Tour Operator (called “Tour Operator 3”):

- (a) Is licensed under Land Public Transport Act 2010; and
- (b) Owns some excursion buses; and
- (c) Due to not enough self-owned buses, Tour Operator 3 rents an excursion bus **with driver** from another person; and
- (d) Creates a tour package (including bus transportation using the rented bus); and
- (e) Sells this tour package.

Questions that arise are:

- 5.1. Is there any Service Tax charged on the sale of tour package by Tour Operator 3?
 - 5.1.1. If yes, is the SST charged on the entire tour package price or only on the “excursion bus service”?
 - 5.1.2. If only on the bus service, how to determine the “value” of the excursion bus service?
- 5.2. Will there be any “double tax” or “tax cascade” if the excursion bus service is already charged with SST by the excursion bus owner?
- 5.3. Will the answer to 5.1 series and 5.2 be different if the bus is rented **without driver**?

