



Islamic Republic of Iran
Civil Aviation Organization

Date: 2 January, 2022

Number: 44251

To: All Iranian and Foreign Airlines

Subject: Government Order on Value Added Tax (Domestic and International Flights)

Dear Airlines,

With respect to Value Added Tax Act published under ref.#20-11/29577 dated 1400/04/12 (Iranian Calendar) which has a commencement date of 1400/10/13 (Iranian Calendar) equal to 03 Jan 2021, you are kindly informed that Air transportation (either passenger or cargo) in domestic or international flights is extracted from Services Exempt in para13, part B, chapter 3. According to Article 7, the VAT rate on goods and services is 9% of its source of calculation subject to Article 5 of this law. Therefore, from 03 Jan 2022, buyers of Air tickets, AWB shall pay 9% of the ticket/ AWB value as VAT. The amount of taxes, fees and charges, as published in IATA list of TFCs, which are collected in a ticket, AWB, EMD, etc. due to a government order are exempted from VAT source of calculation.

To avoid any unwanted consequences with the Tax Office, all airlines as taxpayers are advised to take steps to implement it properly through their sales channels.

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