



Exemption Guidelines

The Travel Industry Council of Ontario (TICO) is responsible for administering the provincial legislation governing the travel industry in Ontario, the *Travel Industry Act, 2002* (the *Act*) and Ontario Regulation 26/05 (the *Regulation*). TICO's mandate is to ensure that anyone involved with selling travel services in Ontario is doing so in accordance with the *Act*.

Travel Services are defined as transportation or sleeping accommodation for the use of a traveler, tourist or sightseer or other services combined with that transportation or sleeping accommodation.

Section 4 of the *Act* prohibits persons from acting as travel agents or travel wholesalers unless they are registered under the *Act*. However, there are some groups of persons that are exempted from having to register under the *Act*. The exemptions are set out in Section 2 of the *Regulation*. A person who falls within the exemptions may act as a travel agent or travel wholesaler or carry out such activities of a travel agent or a travel wholesaler as prescribed by the *Regulation*. Please note that since these entities do not require registration, their customers are not protected by the Ontario Travel Industry Compensation Fund (the *Fund*).

The groups which do not require registration include:

END SUPPLIERS OF ACCOMMODATION

This exemption relates to end suppliers of accommodation who also provide local travel services purchased from another person.

There are limits to this exemption as follows:

- The additional services sold must be **local** services.
- TICO interprets "local" to be within 25 km of the accommodation.
- If the distance is greater than 25 km, TICO would have to review the matter on a case by case basis.

Example: A hotel, which provides its own services, can also package local theatre tickets and transportation to the theatre. The hotel may sell this package to its guests without requiring registration under the *Act*.

END SUPPLIERS OF OTHER TRAVEL SERVICES

This exemption is for end suppliers of other travel services who also provide local travel services purchased from another person as long as they do not accept payment of more than 25% of the cost of the travel services sold to a customer more than 30 days before the travel services are to be provided.

Details about this exemption:

- This exemption was added by the government to assist local tourism businesses. As such, it does not apply to airlines, cruise lines or bus lines.
- The limit on the amount of funds that such businesses may collect in advance is an attempt to reduce the risk to consumers in the event such a business failed to deliver the services.
- The additional services sold must be local services.

- TICO interprets local to be within 25 km of the main service being offered by the end supplier. If the distance is greater than 25 km, TICO would have to look at the matter on a case by case basis.

Example: A white water rafting company that provides their own services could also package accommodation and meals provided by someone else together with their service without requiring registration, provided they do not accept payment too far in advance.

PUBLIC CARRIERS

This exemption is for public carriers holding operating licenses under the Public Vehicles Act. There are three categories for this exemption.

Scheduled Transportation

This applies to public carriers who sell scheduled transportation.

Example: An end supplier coach company travelling from Toronto to New York 4 times per day.

Appointed Agents

This applies to agents, appointed by public carriers holding operating licenses under the Public Vehicles Act, who sell bus travel services.

Example: An agent appointed by (working for) a public carrier such as a ticket booth agent selling bus travel

One Day Tours

This applies to public carriers who sell one day tours. Please note that other travel services, e.g. hotel accommodation, must not be included with the tour.

Example: An end supplier bus company selling an organized sightseeing tour travelling around the GTA.

GUIDES & SIGHTSEEING

This exemption is for persons selling guide or sightseeing services in Ontario.

Example: A person that sells guide services showing visitors various points of interest. The key requirement for this exemption is that the person selling guide or sightseeing services must not include other travel services, i.e. transportation and/or accommodation.

EDUCATIONAL INSTITUTIONS

This exemption is for educational institutions that include occasional scholastic excursions requiring travel.

There are limits to this exemption as follows:

- The person arranging the trip must be employed to teach in an elementary or secondary school, university or college of applied arts and technology.
- Exemption applies to **one-day** tours for students of the school as part of the curriculum or other travel services made through a registered travel agent as part of the curriculum.
- Travel services or the **trip** must be approved by the appropriate board, principal, governing body or official.
- The person employed by the educational institution must receive no direct or indirect gain or profit from arranging for the travel services other than participating in the travel services.

Example of what a teacher may arrange without using a registered travel agent:

- Class day trip to the Royal Ontario Museum

School trip that must go through a TICO registered travel agent:

- 4 day trip to Montreal which includes hotel accommodations and bus transportation

Please review TICO's School Trip Guidelines for more information – [click here](#)

ORGANIZATIONS & ASSOCIATIONS

This exemption is for Religious Organizations, Amateur Sports Teams or Unincorporated Associations.

This exemption applies only to **overland travel** services if **all** of the following conditions are satisfied:

- The travel services are provided only to members of the organization, team or association.
- The group exists primarily for educational, cultural, religious or athletic purposes and the travel services are provided for those purposes.
- Any funds received for the travel services are deposited into a trust account and disbursed to pay the suppliers of the travel services or a travel agent.
- The organization, team or association, its members and employees receive no direct or indirect gain or profit from the provision of the travel services other than participating in the travel services.
- The travel services do not include a destination located more than 2,000 km from the departure point.
- The vehicle that is used for transportation remains at the destination to ensure that return transportation is available.

TICO interprets overland travel services to mean travel by, on or across land. It does not include travel by air or by sea.

Example of what the group may arrange without using a registered travel agent:

- Church group bus trip to Martyr's Shrine

Trip that must go through a TICO registered travel agent:

- Week long religious journey to see churches in Europe including hotel accommodations, bus transfers, and airfare.

NOT FOR PROFIT CLUB

This exemption is for not-for-profit corporations without share capital, operating as a club.

This exemption applies only to **overland travel** services if **all** of the following conditions are satisfied:

- The travel services are provided only to members of the club.
- The corporation exists primarily for educational, cultural, religious or athletic purposes and the travel services are provided for those purposes.
- Any funds received for the travel services are deposited into a trust account and disbursed to pay the suppliers of the travel services or a travel agent.
- The corporation, its members, officers, directors and employees receive no direct or indirect gain or profit from the provision of the travel services other than participating in the travel services.
- The travel services do not include a destination located more than 2,000 km from the departure point.
- The vehicle that is used for transportation remains at the destination to ensure that return transportation is available.

TICO interprets overland travel services to mean travel by, on or across land. It does not include travel by air or by sea.

Example of what the not-for-profit club may arrange without using a registered travel agent:

- Not-for-profit ski club arranging a multi-day ski trip provided that the trip is overland, no more than 2000 km from the departure point, bus remains with the group and the money collected is deposited into trust account.

Trip that must go through a TICO registered travel agent:

- Not-for-profit ski club arranging a week long ski trip from Toronto to Zermatt, Switzerland including airfare and hotel accommodations.

TICO's mission is to promote a fair and informed marketplace where customers can be confident in their travel purchases.

Everyone has a role to play at all levels. Serve your customers with knowledge and professionalism and above all, serve your customers in accordance with the Act and Regulation.

If you have any questions, please contact TICO's Compliance Department at 1-888-451-TICO.