

§ 49.4261-4 Payments made within the United States; evidence of nontaxability.

(a) *Presumption of taxability.* The tax imposed by section 4261(a) shall apply to any amount paid within the United States for the transportation of any person, unless the taxpayer establishes in accordance with the provisions of this section that at the time of payment the transportation is not transportation in respect of which tax is imposed by section 4261(a) (see section 4264(d)).

(b) *Through tickets.* In the case of transportation which is wholly or in part not taxable transportation, the issuance of one ticket (commonly known as a “through ticket”) covering such transportation will be sufficient to establish that the amount paid for such transportation is wholly or in part not subject to tax. Thus, if A purchases a through ticket in the United States for transportation by air which begins before November 16, 1962, from Chicago to Edmonton, Canada, with a stopover in Minneapolis, no further evidence will be required to establish that no tax applies with respect to the amount paid for the portion of transportation between Minneapolis and Edmonton. A similar result will be reached if a through ticket is purchased for the same air transportation which begins after November 15, 1962, and the trip is not “uninterrupted international air transportation” within the meaning of section 4262(c) (3) and paragraph (c) of § 49.4262(c)-1. See paragraph (d) of this section for the information to be inscribed on all tickets issued for uninterrupted international air transportation.

(c) *Separate tickets.* Where a separate ticket or order is issued for taxable transportation as defined in section 4262 (a) (1) (referred to in this subpart as the “domestic ticket or order”), but the domestic ticket or order is to be used in conjunction with a ticket or order for additional transportation (referred to in this subpart as the “international ticket or order”) which changes the tax consequences, unless the domestic ticket or order and the international ticket or order are purchased from a single agency or carrier at the same time, the person making

payment for the domestic ticket or order shall at the time of payment exhibit the international ticket or order to the agency or carrier receiving such payment. The agency or carrier which receives the payment for the domestic ticket or order shall inscribe the tickets or orders for the entire journey in the following manner:

(1) The international ticket or order shall be inscribed or stamped with an appropriate legend (for example, “Cannot be reused to obtain any tax exemption on a domestic ticket or order”) to show that a domestic ticket or order has been purchased wholly or partially tax free for use in conjunction therewith.

(2) The domestic ticket or order shall be inscribed to show (i) the identity of the agency or carrier which received payment therefor (unless otherwise shown on the ticket or order), (ii) the origin and destination of the additional transportation, (iii) the identity of the carrier furnishing the additional transportation, and (iv) the serial number of the ticket or order covering such additional transportation. If the domestic ticket or order is not large enough to accommodate the prescribed inscription, a statement setting forth the required information shall be attached to such ticket or order.

(d) *Tickets issued for uninterrupted international air transportation.* All tickets issued for “uninterrupted international air transportation” within the meaning of section 4262(c) (3) and paragraph (c) of § 49.4262(c)-1, whether through tickets or separate tickets, must have inscribed thereon, in addition to the other information required in the regulations in this subpart, sufficient information from which may be ascertained the scheduled arrival and departure time at each stopover to which the six-hour scheduled interval requirement of section 4262(c)(3) applies. It will be sufficient, for example, if the airline ticket or tickets show the trip number and the date and time of departure of the aircraft from each such stopover point, provided the published airline schedules show the scheduled time of arrival at each such stopover point.

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