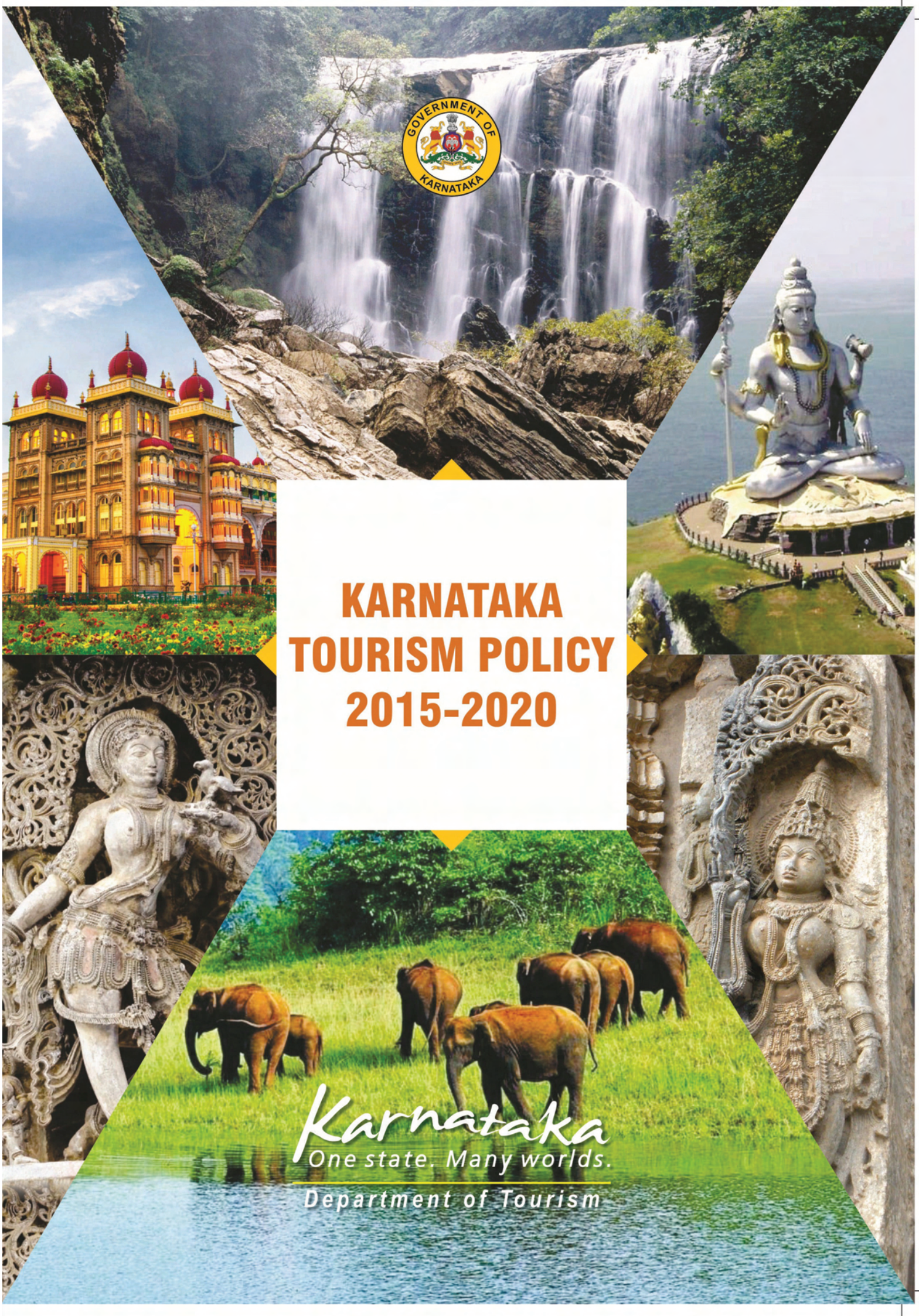


KARNATAKA TOURISM POLICY 2015-2020

Karnataka
One state. Many worlds.
Department of Tourism

KARNATAKA TOURISM POLICY
2015-2020

Department of Tourism
Government of Karnataka

Table of Contents

1.	Introduction	7
2.	Vision, Mission and Objectives	8
3.	Strategic Framework & Thrust Areas	9
3.1	Position Karnataka as a Preferred Tourism Destination	9
3.2	Improve Infrastructure, Tourism Products and Services	10
3.3	Guidelines for development of Tourism Products and Services	14
3.4	Human Resources Development & Capacity Enhancement	14
3.5	Institutional Structures	16
4.	Concessions & Investment Subsidies	18
4.1	Concessions	19
4.2	Investment Subsidies	22
4.3	Supporting provisions for availing Concessions and Investment Subsidies	29
5.	Implementation Framework	31
5.1	'Sakala' - Government's E-governance platform for delivery of services	31
5.2	Project approvals and sanction of investment subsidies	31
6.	Targets & Timelines	32
Annexure 1:		34
Annexure 2:		44
Annexure 3:		46
Annexure 4:		53
Annexure 5:		54

Introduction

Karnataka is home to several forts, architectural marvels and is blessed with a rich cultural heritage. Other diverse visitor attractions include pilgrim sites, coastal landscape and wildlife / national parks. The state also offers a variety of tourism products that cater to the demand from different visitor segments, such as,eco-tourism, wellness tourism and adventure tourism. Over the years, Karnataka has emerged as one of the most sought after tourism destinations in the country and also created a space for itself in the international tourism circuit. As of 2013, the State was ranked as the fourthpreferred destination among domestic tourists and ranked third with regard to attracting investments in the tourism sector.

During the policy period 2009-14, about 318 project proposals with a proposed investment of about Rs.950 croreswas approved by the Department of Tourism, Government of Karnataka. Of the total number of project proposals approved, 126 projects were completed and investment subsidies were disbursed.

The government has constituted a Karnataka Tourism Vision Group (KTVG) in 2013, comprising eminent citizens and sector specialists to provide a road map for making Karnataka a tourist experience destination on par with international standards. The KTVG in its report has estimated the quantum of employment possibilities, additional revenue potential and the investments needed for providing a fillip to tourism in the State. As per the KTVG's report, the tourist traffic in the state is projected to increase from the current 100 million to 210 million by 2024. An investment of Rs. 54,000crores has been estimated in the sector over the next five years (2015-20) and about half of this investment is likely to be mobilized from the private sector.

The 'Karnataka Tourism Policy 2015-2020' focuses on accelerating and facilitating private investments in the tourism sector, and strives to be an outcome based initiative. The Policy follows a non-discriminatory approach to promote balanced regional development by attracting investments from the private sector and local entrepreneurs. ThePolicy strives towards creating an enabling environment for safe and sustainable tourism in Karnataka and lays emphasis on providing quality experience to tourists.

The Policy encourages a positive shift in attitudes - from regulation and control to decentralization and empowerment at local levels; from patronage to building partnerships; and from linear government-led structures to alliances with diverse stakeholders in the sector.

India Tourism Statistics at a glance, 2013, Ministry of Tourism, Government of India.
Indian Tourism Industry: The way forward, The Associated Chambers of Commerce and Industry of India(ASSOCHAM).
Department of Tourism, Government of Karnataka
Vide Government Order TD / 237 / PraVaE / 2013 dated September 04, 2013
Recommendations Report, Karnataka Tourism Vision Group

Vision, Mission and Objectives

Vision

Karnataka aims to be in the top two tourism destinations in India and top fifty in the world. The vision articulated for the tourism sector is as follows:

'To develop Karnataka as a safe, sustainable and most-favoured tourism destination - by increasing domestic & international visitations; offering high quality experience to visitors; facilitating and accelerating investments; and improving livelihood opportunities at the local level.'

Mission

- Promote tourism products and services which will encourage repeat visits, increased length of stay and spending by tourists.
- Preserve the social and cultural fabric of the state, while stimulating economic growth and raising quality of service to global standards.
- Protect the environment & ecology and encourage safe, sustainable and responsible tourism in the state.

Objectives

To achieve the vision, mission and set the direction for the tourism industry over the next five years, the following objectives are outlined:

- Accelerate and facilitate private investments; and encourage entrepreneurship in the tourism sector.
- Motivate and enthuse different segments of the society to contribute towards development of the sector.
- Provide a 'total quality' experience to visitors, from before arrival till after departure.
- Facilitate effective inter-departmental co-ordination, streamline processes to improve sector performance.
- Enhance skills, knowledge and professionalism in the tourism industry.
- Encourage local employment opportunities.
- Support the use of Information & Communication Technology (ICT) based initiatives in improving quality of services to tourists.

Strategic Framework& Thrust Areas

To realize the core objectives of the Policy, the Government of Karnataka has identified the following strategic intervention areas

- Position Karnataka as a preferred tourism destination at state, national and international levels
- Facilitate improvement of Infrastructure, Tourism Products and Services
- Streamline processes for obtaining approvals and clearances
- Prioritise Human Resources Development & Capacity Enhancement
- Promote ICT based initiatives for providing timely and reliably information services to tourists
- Create institutional structures for effective implementation of the Policy
- Provide attractive concessions and investment subsidies for various tourism products and services

The Government endeavours to pursue these strategic intervention areas by encouraging local entrepreneurship, promoting private sector participation, identifying additional means of raising finances and supporting the interventions through its own budgets and resources.

The thrust will be on:

- Encouraging mega tourism projects of Rs.100 crore and above to facilitate creation of tourism hubs.
- Setting up a Tourism Infrastructure Company for development of tourism infrastructure and support facilities through dedicated SPVs, PPP frameworks, Joint Ventures, and other appropriate structures.
- Bringing in a Karnataka Tourism Trade (Facilitation and Regulation) Bill for enabling investments in tourism,ensuring safety & security of tourists and strengthening accountability at various tiers of government.
- Encouraging corporate groups to invest in tourism projects related to community involvement and rural tourism through their Corporate Social Responsibility (CSR) initiatives.
- Leveraging existing financing options extended by multi-lateral agencies.
- Efficiently utilizing funds available under State and Central government sponsored schemes.

A set of actions have been identified for each of the strategic intervention areas, which are explained in the following sections.

3.1 Position Karnataka as a Preferred Tourism Destination

Prioritising activity in key tourism markets and across market segments is critical to achieve the objectives set out in the Policy. The Department of Tourism endeavors to undertake the following actions to position Karnataka as a preferred tourism destination within the State and, at national and international levels

- Increase branding, marketing and promotional activities across different visitor groups.
- Create a calendar of events to support marketing and promotional activities.
- Develop data/ information repositories, MIS and other tools for enabling decision making at government level and attracting investments by the private sector.

Branding, Marketing and Promotional Activities

- An integrated marketing approach will be adopted to ensure tourism related information and products are communicated to target markets which can be factored into downstream product development and in-bound tour offerings.
- Promotional activities through conferences, road shows,fairs, festivals and exchange programs will be undertaken to increase the brand exposure of Karnataka at national and international levels.

5 Year Event Calendar

- A five-year calendar of tourism related events (including 4-5 hallmark events) across Karnataka will be drawn up.
- Innovative tourism products will be offered as a part of each such event to integrate business with leisure.
- Facilitate processes pertaining to trading hours, liquor licenses etc. to cater to visitor expectations.

Tourism Information Repository

- The Government will create a data repository of various tourism locations/ attractions in the state, the status of infrastructure at these locations, industry service providers, etc.
- The Department will set up a State Tourism Database Repository, publish an annual industry status report and organise annual industry outlook conferences.
- A 'Tourism Industry Profile', shall also be prepared to aid in planning and decision-making for both industry and government. The profile will be created based on surveys and research studies.

Improve Infrastructure, Tourism Products and Services

To achieve increased visitation and duration of stay and ensure a 'Total Quality Experience' to tourists, the following actions will be pursued.

- Assist and facilitate development & maintenance of basic tourism infrastructure and facilities at destinations
- Encourage development of new and innovative tourism products and services
- Improve connectivity infrastructure
- Improve access and delivery of tourism information services
- Enablesafety and security of tourists

Basic tourism infrastructure and facilities at destinations

Tourist Accommodation

- Facilitate the development of accommodation for all customer segments through hotels, resorts, homestaysand youth hostels.
- Encourage and support homestays at tourist destinations to provide tourists a homely, friendly and a hospitable environmentthat exposes them to the local culture.

- Encourage corporate homes, operated by corporate entities at tourist destinations providing local experiential tourism.
- Encourage use of heritage buildings as hotels for providing accommodation facilities to tourists.

Tourism Related Infrastructure at Tourist Destinations and Wayside Amenities

- Support and encourage development of wayside amenitiesat intervals of about 50 km along connecting roads leading to major tourist destinations. Wayside amenities especially benefitting local communities will be encouraged.
- Retail for local produce, handicraftswill be encouraged, wherever possible. Initiatives for physical manifestation of brand perceptions will be supported; for instance, silk in Mysore, wooden toys in Channapatna, etc.
- Amenities including parking at the entrance of major tourist destinations will be encouraged to regulate vehicular movement, with special access for differently-abled persons.
- Information centres/ kiosks and interpretation centers will be encouraged at all major tourist destinations. Accredited tourist guide services will also be emphasised.
- Community kitchens and public conveniences at rural locations will be encouraged, largely through private entrepreneurs/ franchisees and communities.

Tourism products and services

- **Mega Projects &Entertainment Products**
- Mega projects such as golf courses, cruise tourism, large entertainment studios, entertainment parks (small, medium and large), cable cars, tourism trains, filmcity, etcto cater to different user segments will be promoted.
- World-class and state of the art exhibition and convention centres would be encouraged through appropriate Public Private Partnership (PPP) framework in Bangalore, Mysore and other strategic locations in the state.
- Facilitate ease of doing business by fast tracking approvals and clearances. Project specific land acquisition processes, concessions and investment subsidies would be facilitated for private enterprises seeking to establish mega projects and entertainment products.
- **Heritage zones and clusters**
- Heritage zones will be earmarked around the sites of Hampi, Pattadakal, Badami, Aihole, Bidar, Bijapur, etc. and development will be supported in accordance with the master plans prepared for such locations.
- Strategies for development of tourism in places such asMelkote, Somnathpur, Shravanbelagola, Talakad and the entire Western Ghats would be formulated to encourage overnight stays through compelling experiences and engaging activities.
- Efforts would also be made to include more heritage sites into the UNESCO's list of World Heritage Sites for bringing in significant international recognition and tourist traffic into the State;
- Adoption/ management/ sponsorship programs in heritage zones would be supported to create ownership between locals/corporate for monuments, temples and destinations and to improve the maintenance of existing tourist destinations.

- **Marine/ Coastal Tourism**
- Cruises of international standards would be encouraged in Mangalore and Karwar, especially through appropriate PPP frameworks.
- Coracles, catamarans, traditional sail boats and houseboats will be emphasized at identified destinations.
- **Eco Tourism**
- Eco-tourism would be encouraged in close collaboration with the Karnataka Eco-tourism Development Board.
- An eco-tourism zone stretching from Coorg to Karwar will be identified and a chain of nature camps will be encouraged as 'Eco-Trails' in the zone.
- Trekking and nature walks would be actively encouraged to provide tourists an exposure to natural environments.
- **Rural Tourism**
- Rural tourism will be encouraged to showcase rural life, art, culture, cuisine and heritage at villages/ countryside and will provide opportunities for economic and social development of the local communities.
- **Wellness & Holistic Health Tourism**
- Karnataka's potential to develop as a unique destination for spiritual healing and wellness tourism will be explored.
- Emphasis will be on supporting traditional systems of medicine and wellness like Ayurveda, Homeopathy, Yoga, Unani, Siddha, etc.
- **Adventure Tourism**
- Support will be provided toadventure tourism activities in the State, under three heads - Aero Adventure, Aqua Adventure and Land Adventure by collaborating with national and international adventure tourism and activity operators.
- **Weekend Tourism**
- Weekend getaway destinations would be encouraged to provide recreational and leisure avenues for tourists planning weekend trips.
- Tourist destinations in close proximity to major urban centres in the State would be identified and encouraged to be developed as weekend tourism destinations, where visitors can reach in shorter travel time and enjoy a two day stay with engaging activities.
- **Health Care Tourism**
- The potential for Karnataka as a quality health care destination would be unleashed and initiatives for attracting tourists from outside the State and the country for availing of benefits of advanced medical treatment facilities would be encouraged.
- Bangalore and Mangalore are identified as potential health care tourism clusters, and PPPs in development activities of these clusters would be encouraged
- **Urban Tourism**
- Six major urban centreshave been identified in the State for tourism development - Bangalore, Mangalore, Mysore,Belgaum, Hubli, Dharwad and Tumkur.
- Emphasis will be given to activities that create positive experiences for tourists in these urban areas through development of tourist attractions, entertainment parks, golf courses, museums, galleries, art & craft villages,etc.

- **Religious Tourism**
- Karnataka is home to many famous temples and pilgrim sites in the country. The rock cut cave temples and the architectural monuments built by various dynasties are important attractions in the state.
- Efforts will be made to encourage tour operators and facilitate pilgrimage tourism between various religious attractions.
- **Film induced Tourism**
- Film shootings at tourist locations will be encouraged, provided due measures are taken to protect the natural environment and promote the destination's, local art, craft and culture.

Connectivity infrastructure

- **Transport and Aviation**
- Efforts will be made to increase entry points into the State; improve direct access to different destinations across the State for international, inter-State and intra-State visitors; encourage development of new routes and expand existing airport capacity.
- Development of low cost terminals along with the use of smaller aircrafts, airfields/ air strips would be encouraged. Tie-ups with flying clubs will be used to provide access to smaller aircrafts and airfields that may be underutilized.
- **Last mile connectivity**
- Improving last mile road/ rail connectivity to tourist destinations such as, multiple transport options links from railway stations and bus terminals, etc. would be emphasized and the Department of Tourism would co-ordinate with other government agencies/ departments in facilitating these developments.
- **Coastal transport system**
- The coastal transport system would be strengthened to move people along the coast and also support cruise tourism activities.
- **Zero pollution modes of transport**
- Environment friendly vehicles having a minimum impact on the ecology of the destination would be encouraged at tourist destinations in the State.

Access and delivery of tourism information and other services

- **Tourist Amenities/ Kiosks**
- Development of tourist amenities such as information kiosks, trained guides, audio guides, interpretation centres, etc. would be encouraged at all major tourist destinations.
- **Information, Communication & Technology (ICT)**
- Initiatives to provide adequate and reliable information about destinations, accommodations, itinerary, events, online bookings and other offerings through various modes such as online web portals, mobile applications, tourism offices, booklets, flyers, brochures, maps, etc. would be encouraged.
- Provision of audio guides, mobile technology, Wi-Fifacilities at major tourist destinations would be encouraged.
- Technology interventions for social networking and data management would be encouraged in order to support tourism activities in the State.

- Digital marketing, information collaterals, and development of information and interpretation centers at tourist destinations will be supported and encouraged.

Safety and security of tourists

- The tourism police force referred to as the "Tourist Mitra", would be deployed for visible policing in key tourist destinations for the safety and security of visitors.
- A disaster management plan is proposed to be developed for major tourist destinations in order to be prepared for any eventuality.
- A dedicated helpline number would be launched exclusively for the convenience of tourists.
- Convenient and safe access for differently-abledpersons would be emphasized at all major tourist destinations.

3.3 Guidelines for development of Tourism Products and Services

Detailed guidelines for undertaking activities in the identified strategic areas will be issued and made available on the website of the Department at www.karnatakatourism.org within 30 days of publishing the Policy.

3.4 Human Resources Development & Capacity Enhancement

As per the KTVG Report, it is estimated that about 30lakh jobs would be created in the sector during the policy period, but the skills required for these jobs requires to be strengthened. To address the skill gaps and provide better employment opportunities for the people, efforts would be made to undertake the following actions:

- Facilitate training to different stakeholder groups and handhold local communities through customized capacity building programs, exposure visits, vocational courses, short-term courses in hospitality, tourist guide training and other tourism related programs.
- Encourage vocational training institutes at strategic locations, offering a range of courses.
- Assist in developing curriculum of tourism courses / programs to enhance employment opportunities for guides, housekeeping staff and other hospitality related workforce.

Training / Capacity Building

- **Karnataka Tourism Human Resources Strategy / Policy**
- Efforts would be made to collaborate with experts and resources available with international tourism training organizations towards developing a Karnataka Tourism Human Resources Strategy.
- Emphasis will be on developing a strong Human Resource Policy that enables the community to seek employment in the hospitality and tourism sector.
- Training would be imparted to government officials, guides, hospitality staff, including homestay hosts, tour operators, AYUSH Therapists, etc.
- **Licensing & Certification of tour guides**
- A new category of skilled guides would be trained to provide authentic information and communicate effectively with tourists.
- The Department would draw up a mechanism for licensing & certification of tour guides and accreditation of travel agents, to standardize servicequality.

- **Capacity enhancement at local level**
- Education and enhancement of competencies for local communities in the vicinity of tourism clusters would be encouraged, in order to catalyse economic opportunities from tourism activities.
- **Vocational SkillsTraining**
- Keeping in mind the additional employment possibility that the tourism sector would generate in the next five years,efforts would be made to introduce training for tourist guides and support staff in housekeeping, front office, reception, and other areas of hospitality.
- Convergence of programmes with education department and other departments would be considered to ensure availability of larger work force in non-core areas of hospitality, such as security, kitchen stewarding, maintenance and cleaning services.

3.5 Institutional Structures

To implement the strategic interventions and undertake various activities outlined in the Policy, it is critical to establish appropriate institutional structures for implementation. The following actions are envisaged to be undertaken in this regard:

- Encourage and support investments in the sector coming in through public private partnerships and joint ventures.
- Implementation of the Policy through highest level of coordination between various stakeholders, across the infrastructure sector.
- Streamline existing governance structures to enable better governance and accountability of the stakeholders involved.

Tourism Infrastructure Company

- The Government is setting up a Tourism Infrastructure Company to facilitate development of tourism projects in the statethrough dedicated project SPVs and leveraging private capital to the extent possible.
- All land assets that are currently under the governance and administration of the Department of Tourism would vest with the Company. Further, the Company would become responsible for the, leasing, renting, concessioning, etc. of these land assets.
- Various options for funding the projects would be explored by the Company. It will co-ordinate with various funding agencies such as the Government of India, multi-lateral agencies, corporates etc. for availing financial assistance to develop tourism projects in the state.

Karnataka Tourism Trade (Facilitation and Regulation) Bill

- The Government has approved the Tourism Trade (Facilitation and Regulation) Bill for enabling investments in tourism, ensuring safety & security of tourists and strengthening accountability at various tiers of government.
- The Bill details out the institutional framework for enabling the Policy and improving overall governance in the sector.

Advisory & Approval Committees

- Four committees (existing and proposed) are identified toencourage good governance in the sector, facilitate speedy clearances & approvals, regular monitoring of the projects & services and ensure accountability at all levels of government.

- **District Tourism Committee,** under the chairmanship of the Deputy Commissioner of the respective district and shall perform the following functions for effective implementation of the policy:
    - approve the proposals received for Projects uptoRs. 15 Crores;
    - co-ordinate clearances / approvals from other government agencies/ department as may be required for implementation of projects;
    - monitor the progress of implementation of the projects approved by it;
- **Empowered Committee,** under the chairmanship of the Hon'ble Minister of Tourism and shall perform the following functions for effective implementation of the policy:
    - co-ordinate and ensure timely issue of Government Orders by various departments;
    - approve the proposals received for Projects of Rs. 15 - 100 Crores and co-opt members and stakeholders whose consent or expertise is required for approval of the projects;
    - recommend enabling mechanisms from time to time for smooth implementation of the policy;
- **State Level Tourism Advisory Committee** under the chairmanship of the Hon'ble Chief Ministers hall perform the following functions for effective implementation of the policy;
    - shall be the authority to interpret the Policy and investment subsidies.
    - approve the guidelines related to tourism projects; and
    - monitor and assess regularly, progress of implementation of the policy.
- **State High Level Clearance Committee** under the chairmanship of the Hon'ble Chief Minister;
    - approve the proposals received for Projects of Rs. 100 Crores and above;
    - shall be the final authority for granting approvals for the projects placed before it.

(The constitution of the Committees is provided in Annexure 4. Refer Section 5 of the Policy for approvals regarding commencement of projects and sanction of investment subsidies).

6 Constituted vide notification No. PraE170, PraVaE2013, Bangalore dated 3rd July, 2014 by Tourism Secretariat

7 Constituted vide notification No. C1162 SPI 2001, Bangalore dated 26th July, 2004 by Commerce & Industries Secretariat

4.Concessions &Investment Subsidies

The Government proposes to offer concessions and investment subsidiesto Eligible Entitieswilling to develop Tourism Projects in the State. The concessions granted in the Policy are in the form of rebates/ exemptions on applicable taxes, charges, duties, etc. Investment subsidies granted under the Policy are in the form of subsidies for investment made in tourism projects and tourism related services.

Eligible Entities: shall mean any one of the following:

Companies registered under the Companies Act 1956/2013, partnership firms, proprietorship firms, Trusts, Societies, Companies under Section 25 of the Companies Act (Section 8 as per the new Companies Act, 2013), not-for-profit Non-Government Organisations (NGOs), Community Based Organisations (CBOs) and individuals / entrepreneurs.

Tourism Projects shall mean:

Development, operation and management of tourism projects and tourism related services and shall include accommodation facilities (hotels & heritage hotels, yatriniwas, dormitories); amusement parks; convention / exhibition centers; filmcity; museums; galleries; caravan parks; wayside amenities; adventure tourism; eco-tourism; agri-tourism; rural tourism; marine & cruise tourism; wellness tourism; information kiosks; information & interpretation centers; event based tourism (art, craft & culture festivals open to public); tourism related vocational training institutes; and other tourism related projects/ services approved by the Department of Tourism from time to time.

Further,

Mega Projects are Tourism Projects with an investment in fixed assets above Rs. 100 Crore and uptoRs. 500 crore.

Ultra Mega Projects are Tourism Projects with an investment in fixed assets above Rs. 500 Crore and uptoRs. 1000 crore.

Super Mega Projects are Tourism Projects with an investment in fixed assets above Rs. 1000 crore.

A."Industry" status for conventional tourism projects

Conventional tourism projectssuch as hotels shall be accorded an "industry" status and shall be eligible for property tax concessions, power & water tariffs as per industrial norms/ tariffs. However "industry" status shall not be applicable for non-conventional tourism projects such as homestays, agri-tourism, eco-tourism, etc.

B. Type of Tourism Projects eligible for availing Concessions and Investment Subsidies

The concessions and investment subsidies under this Policy will be available for new projects and expansion of existing tourism projects, and are defined as follows:

1) **New Projects** shall mean greenfield Tourism Projects developed during the Policy period 2015-20. Existing tourism facilities requiring complete renovation shall also be considered as a New Project.

2) **Expansion Projects** shall mean Hotels & Resortsthat have been operational for more than two years and theexisting capacity is being augmented by atleast 50%.

   The Eligible Entities shall during the tenure of this Policy, add rentable double rooms with attached bathrooms in accordance with the guidelines, to be qualified for obtaining

concessions and investment subsidies. However, for projects developed under PPP framework, the criteria for additional rooms shall not apply and the same shall be decided on a case to case basis. All other criteria for availing concessions and investment subsidies outlined in the Policy shall apply.

C. Parameters for assessing quantum ofInvestment Subsidies by Eligible Entities

The quantum of investment subsidies that can be claimed by Eligible Entities for developing tourism projects / tourism related services would vary based on the following parameters:

1) Region/ taluka / focus tourism destination where the investment is proposed

(a) Focus Tourism Destinations (FTD) as identified by the Karnataka Tourism Vision Group, and defined in Annexure 2.

(b) Hyderabad Karnataka Region (HKR) as classified in Annexure 1.

(c) Backward Regions of the state, further classified into 4 categories - Category 1 being the 'Most Backward', Category 2 being 'More Backward', Category 3 being 'Backward' and Category 4 being 'Not Backward'. The talukas in these respective categories are set out in Annexure 1.

2) Type of Eligible Entity

Eligible Entities as defined in this Policy shall be entitled for concessions and inv estment subsidies for development of various tourism projects and services, based on (1) above.

4.1 Concessions

The Government of Karnataka offers the following concessions for developing Tourism Projects in the State

Exemption on Stamp Duty

Stamp duty to be paid in respect of (i) loan agreements, credit deeds, mortgage and hypothecation deeds executed for availing loans from State Government including VAT loan from State Financial Corporation, National Level Financial Institutions, Commercial Banks, RRBs, Co-operative Banks, KVIB / KVIC, Karnataka State SC/ST Development Corporation, Karnataka State Minority Development Corporation and other institutions which may be notified by the Government from time to time for the initial period of five years only and (ii) for lease deeds, lease-cum-sale and absolute sale deeds executed in respect of Tourism Projects shall be exempted as below:

- 100% exemption on stamp duty for development of Tourism Projects inFTD, HKR and talukasunderCategories 1 and 2.
- 75% exemption on stamp duty for development of Tourism Projects in talukas classified under Category 3.
- 50% exemption on stamp duty for development of Tourism Projects in talukas classified under Category 4. However, no exemption on stamp duty with respect to development of Tourism Projects within the jurisdiction of the Bruhat Bengaluru MahanagaraPalike (BBMP).

Concessional Registration charges

For all loan documents and sale deeds as specified under the head "Exemption on Stamp Duty" above, the registration charges shall be at a concessional rate of Re.1 per Rs.1000.

Reimbursement of Land Conversion Fee

The payment of land conversion fee for converting the land from agriculture use to non-agriculturaluse for development of Tourism Projectsshall be reimbursed as detailed below:

- 100% reimbursement on land conversion fee for Tourism Projects undertaken in FTD, HKR and talukas classified in Categories 1 and 2.
- 75% reimbursement on land conversion fee for Tourism Projects undertaken in FTD, HKR and talukas classified in Categories 3 and 4.
- No reimbursement on land conversion fee for conversion of land located within the jurisdiction of Bruhat Bengaluru MahanagaraPalike (BBMP) and Bangalore Metropolitan Region Development Authority (BMRDA).

Transfer of Land on Lease Basis

For development of tourism infrastructure projects, governmentland could be leased to the private developer / entrepreneur for a period of 30 years, renewable by another 30 years (through appropriate lease/ development agreements) and shall be decided by the Department of Tourism/ agency concerned on a case to case basis.

Interest Free Loan

For Mega Projects, Ultra Mega Projects and Super Mega Projects, loan to the extent of 100% of Value Added Tax shall be sanctioned as interest free loan from the date of commencement of commercial operations. The interest subsidy is limited to either the period of the loan or loan limit whichever is reached earlier and no carry forward is permitted.

The tenure and extent of investment limit for the loan is set out in the table below;

Tourism Projects	Category	Max Period	Investment Limit (% of EPC)
Mega Project	1	10	80
	2	9	60
	3	8	50
	HKR	11	90
	FTD	11	100
Ultra Mega Project	1	11	85
	2	10	75
	3	9	60
	HKR	12	95
	FTD	12	100
Super Mega Project	1	13	95
	2	12	85
	3	11	75
	HKR	14	100
	FTD	14	100

VAT is applicable only until such time GST comes into effect. A fresh notification in this regard would be issued based on the GST notification of Government of India for the states.

Exemption on Entry Tax

Entry tax on plant & machinery and capital goods for development of Tourism Projects shall be 100% exempted for an initial period of 3 years from the date of commencement of project implementation. Wherever applicable, on raw materials, inputs, component parts & consumables (excluding petroleum products) for a period of 5 years from the date of commencement of commercial production.

In the case of Mega Projects, entry tax on plant & machinery and capital goods for development of Tourism Projects shall be 100% exempted for an initial period of 5 years from the date of commencement of project implementation.

Reimbursement of Entertainment Tax

The payment of Entertainment Tax by Entertainment Parks that are classified as Ultra Mega Projects and Super Mega Projects shall be reimbursed for the first 5years from the date of commencement of operations of such Entertainment Parks.

Exemption on Luxury Tax

On actual room charges of Rs. 5000 or below per day, no luxury tax would be payable for upto 10 years from the date of commencement of operations. This exemption of payment of luxury tax applies to rooms in home stays, yatriniwas, youth hostels / dormitories.

Exemption on Motor Vehicle Tax

During the policy period 2015-2020, new vehicles purchased by tourism project proponents in Karnataka, for carrying out tourism related activities shall be exempted from payment of Motor Vehicle Tax (pro rata to the life time tax applicable for the category of vehicle as per The Karnataka Motor Vehicles Taxation Act, 1957)).

The above said exemption is valid only:(a) only during the policy period 2015-2020, (b)for tour operators registered with the Department of Tourism, Government of Karnataka, and (c) on purchase of a maximum of 5 vehicles per tour operator per year.

Development Rights for Heritage Buildings (DRHB)

Development of heritage buildings for tourism related activities shall be eligible for the award of development rights certificate from the local body concerned, as per prevailing development regulations and approvals. However, the private operator/ entrepreneur shall not use the Heritage Building for any other purpose other than the purpose for which it was granted the development rights certificate, for atleast a period of 10 years from the date of issue of the certificate.

Rating of Tourism Products and Services

All tourism products developed in the state shall be certified by an Accreditation Agency, to ensure delivery of quality services to tourists at acceptable standards.

Concessions for Homestays

The following concessions shall be applicable for certified homestays in the state, subject to compliance with the guidelines:

- Exemption from Luxury Tax on actual room charges of Rs. 5000 and below per day.
- Payment of electricity and water charges at domestic tariffs.
- Property tax rates as prescribed for residential purposes.

Recognition for Corporate Homes

Department of Tourism shall encourage corporate homes in tourist destinations of the state by recognising, approving and providing accreditation to such corporate homes that comply with the guidelines issued by the Department.

Note: All tax concessions will be as per notifications issued by the relevant Authority and subject to such terms and conditions as prescribed in the notifications.

4.2 Investment Subsidies

The Government is committed to improving the tourism industry in the State by adopting an inclusive and balanced regional development approach. Investment subsidies to encourage participation of private sector and local entrepreneurs have been structured, based on the classification of talukas, nature of Tourism Projects to be developed and type of Eligible Entities.

The actual quantum of investment subsidies eligible for a project would depend on the extent the equipment is being utilized for providing tourism related activities. The decision of the Department of Tourism in this regard is final and binding on the parties.

Further, Tourism Projects have been classified into the following three categories, for availing investment subsidies:

(a) Tourism Infrastructure and Products

(b) Equipment for tourism related activities

(c) Tourism related soft activities

4.2.1 Tourism Infrastructure and Products

Tourism Infrastructure and Products include those Tourism Projects that involve land based development of tourism related infrastructure. The definition of projects, documents required to be submitted and the indicative range of investment subsidiesfor development of Tourism Infrastructure and Products in the State are set out below. For details on the eligibility criteria and development norms, the Guidelines for each of the products that would be made available on www.karnatakatourism.org may be referred.

A. Definition of Projects

Project	Definition
Hotels & Resorts	**'Hotel'** is an establishment providing accommodation, meals, and other services for travellers and tourists, in tourist destinations of the state. **'Resort'** shall include a hotel and is a place used for relaxation, recreation, attracting visitors for vacations and/or tourism. The Hotels and Resorts shall provide accommodation facilities for tourists with atleast 20 rentable rooms with attached bathrooms.
Caravan Parks	**'Caravan Park'** is a facility developed for parking of Caravans in allotted spaces and includes other amenities. The caravan park would need to be developed in an area of atleast two acres and include atleast five parking bays.
Museums & Galleries	**'Museum'** is an institution that cares for or conserves a collection of artifacts and other objects of scientific, artistic, cultural, or historical importance and makes them available for tourists viewing through exhibits. **'Galleries'** includes roofed premises in which paintings, sculptures and other art forms are exhibited for purposes of information dissemination/ sale and is accessible by the tourists..

Project	Definition
Eco-Tourism Project	**Eco-Tourism** is broadly defined as tourism which is ecologically sustainable. The concept of ecological sustainability subsumes the environmental carrying capacity of a given area. Eco-tourism projects shall be governed by the following principles: The local community should be involved leading to the overall economic development of the area; The likely conflicts between resource use for eco-tourism and the livelihood of local inhabitants should be identified and attempts made to minimize the same; The type and scale of eco-tourism development should be compatible with the environment and socio-cultural characteristics of the local community, and; It should be planned as a part of the overall area development strategy, guided by an integrated land-use plan avoiding inter-sectoral conflicts and ensuring sectoral integration, associated with commensurate expansion of public services; The guidelines for eco-tourism are applicable to any protected areas, national parks, wildlife sanctuaries, community reserves; conservation reserves, sacred groves, or pilgrimage spots located within protected and/or forested areas.
Rural Tourism Project	**'Rural Tourism Project'** shall mean and include all of the following; (a)tourism that showcases the rural life, art, culture, craft, cuisine and heritage of rural locations in the State; (b)benefit the local community economically and socially; (c)enables interaction between the tourists and the locals for a more enriching tourism experience and (d)is essentially an activity which takes place in the countryside. The Project shall provide self-employment opportunities and shall have a training centre to impart training on local art and craft. The Project shall also have an information centre and a sales outlet providing the necessary backward and forward linkages.
Agri-Tourism	**'Agri-Tourism'**shall encourage active involvement in the activities of the farm or its operations. Agri-Tourism must includesetting up within a working farm or any agricultural, horticultural, or agribusiness operations for the purpose of tourists/ travellers visiting for leisure, education and must include: (a) any one of the following components - horticulture orchard/garden/vineyard; fish pond; sericulture unit; apiculture unit; dairy farm; goat/piggery unit; (b) any two or more of the following activities / components - farm camping, hands on farming, picking fruits/ vegetables, feeding animals, interactions with farmers on farming – process from sowing to reaping, etc. .
Cruise Tourism	'Cruise Tourism' is defined as leisure travel between tourist destinations along the coastline or major rivers in Karnataka on a ship/ cruise liner and also involves development of a cruise terminal;
Adventure Tourism	**'Adventure Tourism'** involves infrastructure and activities that provide the tourists with an opportunity to explore adventure and includes activities such as the following; (a) Land based – mountaineering and trekking (b) Water based – river running, kayaking, river rafting, scuba diving, snorkeling, water skiing, jet skiing, boat based fishing, surfing, sail boarding and wind surfing (c) Air based – paragliding, parasailing and bungee jumping
Entertainment Park	**'Entertainment Park'** is an outdoor recreation park and shall mean either of the following - a theme park, an amusement park, a water park. An entertainment park offers relaxation and/ or recreation to visitors and includes amusement rides, games, entertainment options.
Wayside Amenity	**'Wayside Amenity'** is defined as a facility comprising resting areas, toilets, cafeteria, mini store/ pharmacy and an information / souvenir booth; located on National, State and District Highways; for the benefit of travelers/ tourists.
YatriNiwas	**'YatriNiwas'** is defined as a budget accommodation facility targeting families or group of individuals; located on National, State and District Highways; within a distance of atleast 10 km from an existing tourist destination and includes atleast (a)ten rentable rooms with attached toilets, (b)two dormitories with toilets(one each for men and women), each dormitory with atleast ten beds; and (c)a cafeteria.

Project	Definition
Dormitories / Youth Hostel (YuvaVasatigraha)	**'Youth Hostel'** is defined as a facility which provides budget/ inexpensive overnight lodging, particularly for budget tourists who are unable to afford expensive hotels.
Wellness/ Holistic Health Centre	**'Wellness/ Holistic Health Centre'** is defined as a facility that provides specialised therapy to tourists through alternate system of medicine such as AYUSH (Ayurveda, Yoga, Naturopathy, Unani, Siddha, and Homoeopathy) through professionally qualified personnel.
Tourist Interpretation Centre	**'Tourist Interpretation Centre'** is a facility for dissemination of knowledge of natural or cultural heritage to tourists; it provides a visitor an interpretation of the place of interest through a variety of media, such as video displays and exhibitions of material.
Tourist Information Kiosk	**'Tourist Information Kiosk'** is a kiosk located at a public place or at transit points such as bus station, railway station, airport, sea port, etc.; providing basic information to tourists; including but not limited to the following; (a)Tourist maps of destinations (b)Nearest basic amenity such as hotel, restaurant, bus stop, railway station, etc. (c)Tourist destinations in the State (d)Emergency contact numbers - police, fire, hospital, etc. (e)Modes of transport and means to reach destinations
Tourist Information Centre	**'Tourist Information Centre'** is a facility located at a public place or at transit points such as bus station, railway station, airport, sea port, etc.; which in addition to providing basic information to tourists, also enables hassle free travel/ tour/ stay for tourists. It would provide services including but not limited to the following; (a) Plan and customize tour/ travel/ stay in the city/ State based on tourist requirements (b) Book accommodation in hotels/ home stays/ etc. (c) Book travel through taxi/ bus/ train/ flight/ ferry, etc.
Vocational Training Institutes (Training and HRD Infrastructure)	Institutions established for providing training and skill development courses for tour guides, tour operators and in areas such as culinary skills, hotel management, tourism facility management

B. Documents to be submitted

For obtaining project approvals

- Project Report detailing out the Project facilities and plan for development. The Project Report shall also provide estimates of the Project prepared by a registered engineering firm, having at least 3 years experience in undertaking civil construction works.
- Supporting document for proof of Eligible Entity .

For sanction of investment subsidies

- Title Deed of the land / Record of Rights, Tenancy and Crops (RTC) document (where land is in possession of the Eligible Entity).
- Original Plan approved by the Gram Panchayat / Municipality / Corporation / Town & Country Planning Department / Local Planning Authority.
- Supporting documents as proof of compliance for project specific conditions set out in the Guidelines issued by the Department of Tourism.
- Certificate from a Chartered Account (in case of own finance) or from a Scheduled Commercial Bank / Financial Institution (in case of availing loan), certifying the Eligible Project Cost.

- Documentation certifying that the Project is operational and providing services to tourists, such as No Dues Certificate (NDC) from Department of Commercial Taxes, Electricity Bill from the ESCOM concerned, employment details (disaggregated by Kannadigas and non-Kannadigas), etc.
- Occupancy / Completion Certificate obtained from the Gram Panchayat / Municipality / Corporation.

C. Investment subsidies

Investment subsidies for development of various Tourism Projects defined in A above will be calculated as a percentage of Eligible Project Cost (EPC) and subject to a maximum amount.

- Eligible Project Cost (EPC) means investment in fixed assets for the purposes of developing Tourism Projects defined in this Policy. EPC shall mean costs incurred towards civil construction (including toilets, access to differently-abled, electrification) and for providing utilities such as safety equipment, water purification, DG sets, air conditioning, lifts, sewage treatment plant, rain water harvesting, solar heating/ lighting systems, borewells and equipment necessary to undertake tourism related activities as defined in Section 4.2.2 A (Equipment Cost). EPC does not include costs towards purchase of land, interiors, lighting / chandeliers, furnishings, kitchen utensils, ceramic products, etc.
- "Investment Subsidies proposed are based on the location of the Tourism Project and the type of eligible entity developing the Tourism Project. The table given below sets out the investment subsidies proposed for development of Tourism Infrastructure and Products;

Taluka	Investment Subsidy	
	General Category	Women, SC, ST and differently-abled entrepreneurs
Category 1	Upto 35% of EPC subject to a maximum of Rs. 105 lakhs	Additional 10% of EPC subject to a maximum of Rs. 5 lakhs
Category 2	Upto 30% of EPC subject to a maximum of Rs. 90 lakhs	
Category 3	Upto 25% of EPC subject to a maximum of Rs. 75 lakhs	
Category 4	Upto 20% of EPC subject to a maximum of Rs. 60 lakhs	
HKR	Upto 40% of EPC subject to a maximum of Rs. 120 lakhs	
Focus Tourism Destinations(FTDs)*	Upto 40% of EPC subject to a maximum of Rs. 120 lakhs	

11 A company should furnish certificate of incorporation, memorandum of association and article of association as proof of identity.
A registered partnership firm should furnish income tax returns for the last two financial years or registration certificate under the registrar of firms or the partnership deed executed between the partners as proof of identity.
A Sole Proprietorship firm should furnish either the Sales/VAT/Service tax or IT returns for the last two financial years as proof of identity.

* An additional 10% investment subsidy (over and above project specific investment subsidies) shall be provided for development of tourism circuits within a Tourism Cluster. A tourism circuit is defined as a route within a single Tourism Cluster, in which at least three Focus Tourism Destinations are located such that none of these are in the same town, village or city. Please refer to Annexure 2 for Tourism Clusters and Focus Tourism Destinations.

4.2.2 Equipment for Tourism Related Activities

The details of equipment for tourism related activities, documents required to be submitted and the indicative range of investment subsidies are set out below.

A. Definition

Equipment necessary to undertake air, land and water based adventure tourism activities shall be eligible for investment subsidies. Guidelines tourism equipment would be made available on www.karnatakatourism.org may be referred.

B. Documents to be submitted

For sanction of investment subsidies

- Supporting document for proof of Eligible Entity .
- Project Report detailing out the Project facilities and utilization of the equipment purchased for tourism related activities.
- Supporting documents as proof of compliance for project specific conditions set out in the Guidelines issued by the Department of Tourism.
- Self-attested copy of Purchase Invoice.
- Certificate from a Chartered Account (in case of own finance) or from a Scheduled Commercial Bank/ Financial Institution (in case of availing loan), certifying the Equipment Cost.

C. Investment subsidies

The quantum of investment subsidies for tourism equipment will be calculated as a percentage of Equipment Cost and subject to a maximum amount.

- Equipment Cost (EC) means costs incurred towards procurement of equipment for undertaking activities listed in 'A' above. EC includes costs towards off road vehicles such as all-terrain bikes, quad bikes, electric vehicles for commutation of tourists, etc., but does not include vehicles, ferry boats and other equipment which are not directly utilized for undertaking tourism activities.
- Investment Subsidies proposed are based on the location of the Tourism Project and the type of entity developing the Tourism Project for which equipment are purchased. The table given below sets out the investment subsidies:

Rides for entertainment parks (excluding FEC),Trekking,Mountaineering, Camping, Rappelling and valley crossing, Sport Climbing, Rock Climbing, River rafting, Scuba diving, Snorkelling, River rafting, River running, Jet skiing, Water Skiing and wake boarding, Kayaking and canoeing, Sail boarding, Kite surfing, windsurfing, sail boarding, and surfing, Parasailing, Paragliding, Bungee jumping, Quad Biking, Rescue Boats.

A company should furnish certificate of incorporation, memorandum of association and article of association as proof of identity.

A registered partnership firm should furnish income tax returns for the last two financial years or registration certificate under the registrar of firms or the partnership deed executed between the partners as proof of identity.

A Sole Proprietorship firm should furnish either the Sales/VAT/Service tax or IT returns for the last two financial years as proof of identity.

Taluka	Investment Subsidy	
	General Category	Women, SC, ST and differently-abled entrepreneurs
Category 1	Upto 35% of EC subject to a maximum of Rs. 105 lakhs	Additional 10% of EC subject to a maximum of Rs. 5 lakhs
Category 2	Upto 30% of EC subject to a maximum of Rs. 90 lakhs	
Category 3	Upto 25% of EC subject to a maximum of Rs. 75 lakhs	
Category 4	Upto 20% of EC subject to a maximum of Rs. 60 lakhs	
HKR	Upto 40% of EC subject to a maximum of Rs. 120 lakhs	
Focus Tourism Destinations (FTD)*	Upto 40% of EC subject to a maximum of Rs. 120 lakhs	

* An additional 10% investment subsidy (over and above project specific investment subsidies) shall be provided for development of tourism circuits within a Tourism Cluster. A tourism circuit is defined as a route within a single Tourism Cluster, in which at least three Focus Tourism Destinations are located such that none of these are in the same town, village or city. Please refer to Annexure 2 for Tourism Clusters and Focus Tourism Destinations.

4.2.3 Tourism Related Soft Activities

Tourism related soft activities shall mean and include;

- ICT (Information and Communication Technologies) initiatives shall mean those technology based systems/ applications, especially internet based and mobile applications, audio guides, developed for promoting tourism in the state and enriching tourist experience.
- Skill development courses for conducting heritage walks & nature trails; training for guides & tour operators; specialised training programs in areas such as culinary skills, hotel management
- Event based tourism such as art, craft and culture programmes in tourist destinations, organised by not-for-profit organisations and open for general public. Such events shall promote experiential tourism to visitors and promote longer duration of stay.
- Film induced tourism - Film shootings at tourist destinations mentioned in Annexure 3 provided that due measures are taken to protect the natural environment of the tourism destination and promote the destinations' locale art, craft and culture.

A. Documents to be submitted

For obtaining approvals

- Concept Plan detailing out the methodology and description of the skill development course/ event for which investment subsidies are being sought.
- Supporting documents for proof of Eligible Entity

For sanction of grants

- Documentation certifying that the initiative has been undertaken and /or providing services to tourists.

B. Grants

Upto a maximum of Rs. 25 lakhs, subject to due diligence and necessary approvals required by the Department of Tourism and other agencies concerned.

4.3 Supporting provisions for availing Concessions and Investment Subsidies

1. The Karnataka Tourism Policy 2015-20 will come into force from the date of issue of enabling Government order and will be in operation for five years or as revised by the Government. Once the Karnataka Tourism Policy 2015-20 comes into operation the Karnataka Tourism Policy 2009-14 stands withdrawn. However, Tourism Projects under earlier policies shall continue to enjoy those benefits as per respective project approval/sanction orders.
2. Concessions and investment subsidies under the Policy will be granted to only such entities for such Tourism Projects that are described in the Policy and approved by the Committee concerned. The projects would need to comply with the guidelines issued by the Government.
3. All Tourism Projects developed shall necessarily provide access and facilities for differently-abled persons and ensure safety and security of tourists.
4. The Concessions and investment subsidies under the Policy will be available to all new and additional investments made during the Policy period for eligible Tourism Projects and Expansion Projects mentioned in the Policy. However, tax exemptions are applicable only until such time GST comes into effect. A fresh notification for tax exemptions under the Policy would be issued based on the GST notification of Government of India for the states.
5. To avail the concessions and investment subsidies stated in this Policy, the interested party must obtain necessary approvals from the Committees concerned prior to commencement of the Tourism Project.
6. Tourism Projects can avail concessions and investment subsidies under multiple policies of different departments of Government of Karnataka and /or Government of India. However, if the same component is claimed under different policies, the quantum is limited to the maximum of the component in any one of the Policy.
7. Mega Projects, Ultra Mega Projects and Super Mega Projects would be eligible for a special package decided by the Department of Tourism/ Government of Karnataka on a case-to-case basis. The package could include assistance in land acquisition; provision of core infrastructure such as water, connecting roads, electricity; taxes and concessions as relevant.
8. Entities are eligible to claim investment subsidies under the Policy only upon obtaining the approval of the Committee concerned and commissioning of the Tourism Project.

A company should furnish certificate of incorporation, memorandum of association and article of association as proof of identity.
A registered partnership firm should furnish income tax returns for the last two financial years or registration certificate under the registrar of firms or the partnership deed executed between the partners as proof of identity.
A Sole Proprietorship firm should furnish either the Sales/VAT/Service tax or IT returns for the last two financial years as proof of identity.

5. Implementation Framework

A streamlined implementation framework is developed for assisting investors through the process of project development - assistance in land acquisition / land conversion& purchase, approvals for commencement of Project activities and sanction of investment subsidies post commissioning of the Projects.

5.1 'Sakala' - Government's E-governance platform for delivery of services

Any Eligible Entity desirous of obtaining approvals for development of Tourism Projects and services in the state, and for seeking concessions and investment subsidies under the Policy shallsubmit their proposals on the e-governance website of the Government, www.sakala.kar.nic.in. The e-governance platform enables tracking the status of proposals submitted and ensures transparency and accountability to citizens/ entrepreneurs.

5.2 Project approvals and sanction of investment subsidies

Department of Tourism on receiving applications from Eligible Entities for development of Tourism Projects shall place the application before the authorities concerned, within a period of one month from receiving such applications.

The authorities concerned for project approvals and sanctions based on the Eligible Project Cost of Tourism Projectsare provided in the table below:

Eligible Project Cost	Authority for Project Approvals	Authority for Sanction of Investment Subsidies	Timeframefor completion of projects
Rs. 0 – 15 crores	District Tourism Committee, under the chairmanship of Deputy Commiss ioner of the respective district	District Tourism Committee under the chairmanship of Deputy Commissioner of the respective district	2 years
Rs. 15 –100 crores & Soft activities related to Tourism	Empowered Committee for Tourism under the chairmanship of Hon'bleMinister of Tourism	Empowered Committee for Tourism under the chairmanship of Hon'bleMinister of Tourism	3 years
Mega Projects, Ultra Mega Projects and Super Mega Projects (more than Rs. 100 crores)	State High Level Clearance Committee (SHLCC) und er the chairmanship of Hon'ble Chief Minister[1]	State High Level Clearance Committee (SHLCC) under the chairmanship of Hon'ble Chief Minister	5 years

Refer Section 4.2 for documents to be submitted for obtaining project approvals and investment subsidies

Constituted vide notification No. C1162 SPI 2001, Bangalore dated 26th July, 2004 by Commerce & Industries Secretariat

6. Targets & Time lines

An estimated investment of Rs. 54,000 crores and an employment generation of about 30.38 lakhs are envisaged in the tourism sectorduring the policy period (2015-20) as per the Recommendations Report of KTVG. The cumulative estimated investments and employment generation year-on-year from the start of the policy period is set out in the table below.

End of Year	Cumulative Estimated Investments (Rs. Crores)	Cumulative Anticipated Employment Generation (Lakhs)
2015–16	5400	3
2016– 17	27000	9
2017– 18	37800	15
2018– 19	45900	23
2019 - 20	54000	30

The strategic interventions and corresponding action points would be implemented over the five year Policy period. The timelines for implementation are indicated below:

Short Term (1-3 Years)

- Position Karnataka as a preferred tourism destination at state, national and international levels. Undertake extensive marketing of tourism products through web, road shows, electronic and print media.
- Develop a five year event calendar which would be synchronized with other themes and business events to attract tourists and extend duration of their stay.
- Carry out feasibility studies for establishing demand for various tourism facilities, such as coastal tourism, cruise tourism, agri tourism, rural tourism, etc.
- Set-up a Tourism Infrastructure Company under the aegis of Department of Tourism.
- Tie-ups with training institutes to conduct capacity building programs for creating skilled manpower in the sector.
- Facilitate in development of accommodation facilities at various tourism destinations and wayside amenities.
- Identify/map culture and heritage assets and prepare a plan for protection and management of the same.

Medium Term (3-5 Years)

- Design tour packages based on specific themes, preferably those that involve the geographical boundary and heritage of more than one State,
- Facilitate development of new destinations that offer innovative tourist products, such as, caravan tourism, wellness tourism, tribal tourism, monsoon tourism, beach tourism, etc.
- Provide investment subsidies and technical assistance to entrepreneurs, especially local artisans and cottage industries producing high quality handicrafts.

Long Term (5 - 10 Years)

- Assess brand value and impact achieved and thereby plan further developments.
- Develop large scale, flagship and iconic projects.
- Generate a strong industry profile for targeted marketing and promotional activities.

Annexure 1:
Classification of Talukas

Note:
For any Tourism Project, Eligible Entities claiming investment subsidies for development in Focus Tourism Destinations are not eligible to claim investment subsidies for development of the same Tourism Project under any other category.

Sr. No	Taluka	Category[1] HK[2]- Hyderabad Karnataka 1- Most Backward 2- More Backward 3- Backward 4- Not Backward				
		HK	1	2	3	4
BAGALKOTE						
1	**Badami**			●		
2	**Bagalkote**					●
3	**Bilagi**		●			
4	**Hungund**			●		
5	**Jamkhandi**				●	
6	**Mudhol**					●
BANGALORE RURAL						
7	**Devanahalli**					●
8	**Doddaballapur**					●
9	**Hosakote**				●	
10	**Nelamangala**					●
BANGALORE URBAN						
11	**Anekal**				●	
12	**Bangalore North**					●
BELGAUM						
15	**Athani**			●		

16 Category 1, 2 & 3 are based on "Report of the High Power Committee for Redressal of Regional Imbalances in Karnataka" ,Dr. Nanjundappa Committee Report, 2002.Areas not categorized as "backward" in the Report are classified under Category 4 based on the extent of development.
17 HK includes those talukas that fall under the Hyderabad Karnataka region of Karnataka

BELGAUM						
15	**Athani**			●		
16	**Bailahongala**				●	
17	**Belgaum**					●
18	**Chikkodi**					●
19	**Gokak**			●		
20	**Hukkeri**				●	
21	**Khanapur**					●
22	**Raibag**				●	
23	**Ramadurg**				●	
24	**Soundatti**			●		
BELLARY						
25	**Bellary**	●				
26	**H. B. Halli**	●				
27	**Hadagalli**	●				
28	**Hospet**	●				
29	**Kudlugi**	●				
30	**Sandur**	●				
31	**Siriguppa**	●				
BIDAR						
32	**Aurad**	●				
33	**Basavakalyana**	●				
34	**Bhalki**	●				
35	**Bidar**	●				
36	**Humnabad**	●				

BIJAPUR						
37	**BasavanaBagewadi**		●			
38	**Bijapur**				●	
39	**Indi**		●			
40	**Muddebihal**		●			
41	**Sindgi**		●			
CHAMRAJNAGAR						
42	**Chamarajnagar**		●			
43	**Gundlpet**			●		
44	**Kollegal**			●		
45	**Yelandur**					●
CHIKKABALLAPURA						
46	**Bagepalli**		●			
47	**Chikkaballapura**					●
48	**Chintamani**				●	
49	**Gowribidanur**			●		
50	**Gudibande**			●		
51	**Sidlaghatta**				●	
CHICKAMAGALORE						
52	**Chickamaglore**					●
53	**Kadur**			●		
54	**Koppa**					●
55	**Mudigere**					●
56	**N. R. Pura**					●
57	**Shringeri**				●	
58	**Tarikere**				●	

CHITRADURGA					
Challakere			●		
Chitradurga					●
Hiriyur			●		
Holalkere			●		
Hosadurga		●			
Molakalmuru			●		
DAKSHINA KANNADA					
Bantwal					●
Belthangadi					●
Mangalore					●
Puttur					●
Sulya					●
DAVANAGERE					
Channagiri		●			
Davanagere					●
Harihara				●	
Harappanahalli		●			
Honnali			●		
Jagalur			●		
DHARWAD					
Dharwad					●
Hubli					●
Kalghatagi			●		
Kundagol				●	
Navalgund				●	

GADAG						
81	**Gadag**					●
82	**Mundaragi**			●		
83	**Naragund**					●
84	**Ron**				●	
85	**Shirahatti**				●	
GULBARGA						
86	**Afzalpur**	●				
87	**Aland**	●				
88	**Chincholi**	●				
89	**Chittapura**	●				
90	**Gulbarga**	●				
91	**Jevargi**	●				
92	**Sedam**	●				
HASSAN						
93	**Alur**					●
94	**Arakalgod**			●		
95	**Arasikere**				●	
96	**Belur**				●	
97	**Channarayapatna**				●	
98	**Hassan**					●
99	**Holenarsipura**				●	
100	**Sakeleshpura**					●

HAVERI						
101	**Byadagi**				●	
102	**Hanagal**				●	
103	**Haveri**				●	
104	**Hirekerur**			●		
105	**Rannebennur**					●
106	**Savanur**			●		
107	**Shiggaon**			●		
KODAGU						
108	**Madikeri**					●
109	**Somwarpet**					●
110	**Virajpet**					●
KOLAR						
111	**Bangarapet**				●	
112	**Kolar**					●
113	**Malur**				●	
114	**Mulbagal**			●		
115	**Srinivasapura**				●	
KOPPAL						
116	**Gangavathi**	●				
117	**Koppal**	●				
118	**Kushtagi**	●				
119	**Yelburga**	●				

MANDYA						
120	**Krishnarajpet**			●		
121	**Maddur**				●	
122	**Malavalli**			●		
123	**Mandya**					●
124	**Nagamangala**			●		
125	**Pandavapura**				●	
126	**Srirangapattna**				●	
MYSORE						
127	**H.D.Kote**		●			
128	**Hunsur**			●		
129	**K.R. Nagar**				●	
130	**Mysore**					●
131	**Nanjanagud**			●		
132	**Periyapatna**				●	
133	**T Narasipur**			●		
RAICHUR						
134	**Devdurga**	●				
135	**Lingasugar**	●				
136	**Manavi**	●				
137	**Raichur**	●				
138	**Sindanur**	●				
RAMANAGARA						
139	**Chennapatna**				●	
140	**Kanakapura**		●			
141	**Magadi**		●			
142	**Ramanagara**					●

SHIMOGA						
143	**Bhadravathi**					●
144	**Hosanagara**					●
145	**Sagara**					●
146	**Shikaripura**				●	
147	**Shimoga**					●
148	**Soraba**			●		
149	**Thirthahalli**					●
TUMKUR						
150	**Chikkanaya-kanahalli**			●		
151	**Gubbi**		●			
152	**Koratagere**			●		
153	**Kunigal**		●			
154	**Madhugiri**		●			
155	**Pavagada**		●			
156	**Sira**		●			
157	**Tiptur**					●
158	**Tumkur**					●
159	**Turuvekere**			●		
UDUPI						
160	**Karkala**					●
161	**Kundapura**					●
162	**Udupi**					●
UTTARA KANNADA						
163	**Ankola**				●	
164	**Bhatkal**			●		
165	**Haliyal**					●

UTTARA KANNADA						
163	**Ankola**				●	
164	**Bhatkal**			●		
165	**Haliyal**					●
166	**Honnavar**					●
167	**Joida(Supa)**			●		
168	**Karwar**					●
169	**Kumta**					●
170	**Mundagod**					●
171	**Siddapura**				●	
172	**Sirsi**					●
173	**Yellapur**					●
YADGIRI						
174	**Shahapura**	●				
175	**Surpura**	●				
176	**Yadgiri**	●				

Annexure 2:
Tourism Clusters &
\Focus Tourism Destinations

The list is only indicative and not exhaustive. Eligible Entities, seeking to develop other tourism circuits and Focus Tourism Destinations in the state, may submit their proposals to the Department of Tourism to avail concessions and investment subsidies as stated in the Policy.

No	Tourism Cluster	Focus Tourism Destinations
1	**Urban tourism**	Mysore, Coorg, Belur-Halebeedu, Srirangapatna, Gulbarga
2	**Heritage tourism**	Hampi, Badami, Aihole, Pattadakal, Bijapur, Gulbarga, Bidar
3	**Nature Tourism - Western Ghats** .	Shimoga, Uttar Kannada, Chickkamagalur, Hassan, Kodagu
4	**Wildlife tourism**	Nagarhole, Bandipur, BRT, Kavery, Bannerghatta
5	**Wellness tourism**	Mysore
6	**Religious tourism**	Mookambika, Udupi, Dharmasthala, Karkala, Muradeshwar, Gokarna, Shravanabelagola, Gulbarga, Bijapur, Bidar, Ramnagar (Sufi)
7	**Coastal Tourism**	Mangalore, Udupi, Kundapur, Muradeshwar, Karwar&Gokarna

Note: An additional 10% investment subsidy (over and above project specific investment subsidies) shall be provided for development of tourism circuits within a Tourism Cluster. A tourism circuit is defined as a route within a single Tourism Cluster, in which at least three Focus Tourism Destinations are located such that none of these are in the same town, village or city.

Annexure 3
319 Tourism Destinations Pan Karnataka

Sr. No	Taluka	Location
BAGALKOTE		
1	**Badami**	*Banashankari, Badami, Pattadkal, Mahakoota, ShivayogiMandira*
2	**Bagalkote**	
3	**Bilagi**	
4	**Hungund**	*Kudalasangama, Aihole*
5	**Jamkhandi**	
6	**Mudhol**	
BANGALORE RURAL		
7	**Devanahalli**	*Devanahalli , Tippu's Birth Place & Fort*
8	**Doddaballapur**	*GhatiSubramanya, Kannaswadi, Madure Temple*
9	**Hosakote**	
10	**Nelamangala**	*Shivagange, VittalMandir*
BANGALORE URBAN		
11	**Anekal**	*Bannerghatta National Park, Muthyalamaduvu*
12 13 14	**Bangalore North** **Bangalore South** **Bangalore East**	*Lalbagh, Cubbon Park, Bull Temple, Tippu Palace, Fort , Someshwara Temple, ISKON,Vishweshwariah Museum*
BELGAUM		
15	**Athani**	
16	**Bailahongala**	*Kittur, Sri SogalaKshetra, Degam/Degavi*
17	**Belgaum**	*Ramthirtha, Rajahansaghad, Navilutheertha*
18	**Chikkodi**	
19	**Gokak**	*Gokak Falls, Godachinamalki Falls, Doopadal*
20	**Hukkeri**	*Ghataprabha*
21	**Khanapur**	*Halasi*
22	**Raibag**	
23	**Ramadurg**	*Shabari Valley, Nidasosi*
24	**Soundatti**	*Yallama Temple Savadatti, Malaprabha Dam*
BELLARY		
25	**Bellary**	*Bellary Fort, Kenchanagudda, Nagalakere, Sanganakallu*
26	**H. B. Halli**	
27	**Hadagalli**	*Kuruvathi, Mailara*
28	**Hospet**	*Hampi, Tungabhadra Dam, DarojiBear Park*
29	**Kudlugi**	*Kotturu, Ujjini*
30	**Sandur**	*Thorangal, Ramgad*
31	**Siriguppa**	

Sr. No	Taluka	Location
BIDAR		
32	**Aurad**	
33	**Basavakalyana**	*Basavakalyana, Narayanapura*
34	**Bhalki**	*Karanja Project*
35	**Bidar**	*Bidar, BidarFort,Gurudwara, Papanashini*
36	**Humnabad**	*Humnabad, Jalasangi*
BIJAPUR		
37	**BasavanaBagewadi**	*Almatti Dam, BasavanaBagewadi*
38	**Bijapur**	*Golgumbaz&Ibrahimroza, Bijapur, Toravi*
39	**Indi**	
40	**Muddebihal**	
41	**Sindgi**	
CHAMRAJNAGAR		
42	**Chamarajnagar**	*Kanakagiri, Chikhole Reservoir, KarivaradarajaBetta*
43	**Gundlpet**	*Bandipur, HimavadGopalaSwamy Hills, Therakanambi*
44	**Kollegal**	*Male Mahadeshwara Hills, Kollegala, Hogenekal Falls*
45	**Yelandur**	*BiligiriRangana Hills*
CHIKKABALLAPURA		
46	**Bagepalli**	*Devaragudipalli, Shree Venkataramana*
47	**Chikkaballapura**	*Nandi Hills, Nandi village, Muddenahalli,Rangastala, Sir M. Visvesvaraya Birth Place & Museum*
48	**Chintamani**	*Muragamalla, Kaiwara*
49	**Gowribidanur**	*Vidhurashwatha, Minakanagurki*
50	**Gudibande**	*AdinarayanaBetta*
51	**Sidlaghatta**	*Byrasagara Tank*
CHICKAMAGALORE		
52	**Chickamaglore**	*Mullayyanagiri, Bababudangiri, Hiremagalur, Muthodi Game Sanctuary, Belvadi*
53	**Kadur**	*Ayyanakere*
54	**Koppa**	*Hirekodgi*
55	**Mudigere**	*Kalasa, Horanadu, Kudremukh, Angadi, Ballalarayanadurga*
56	**N. R. Pura**	
57	**Shringeri**	*Shringeri, Kigga*
58	**Tarikere**	*Kemmannugundi, AmruthapuraBhadra Project*

Sr. No	Taluka	Location
CHITRADURGA		
59	**Challakere**	*Thipperudraswamy Temple Nayakanahatti, Dodd agudda*
60	**Chitradurga**	*Chitradurga Fort, Chitradurga, Chandravalli, Jogimatti*
61	**Hiriyur**	*VanivilasSagar, Marikanive*
62	**Holalkere**	*Ganesha Temple*
63	**Hosadurga**	*HaaluRameshwara*
64	**Molakalmuru**	
DAKSHINA KANNADA		
65	**Bantwal**	
66	**Belthangadi**	*Dharmastala, Venur, JamalabadKote (Nasasimagad)*
67	**Mangalore**	*Surathkal, Panambur, Ullal, Someswara, Kateelu, Moodabidre, ThaneerBhavi, PilikulaNisargadham*
68	**Puttur**	*Bendretheertha, Shiradi, Uppinangadi, Mahalingeswara Temple*
69	**Sulya**	*KukkeSubramanya Temple*
DAVANAGER E		
70	**Channagiri**	*Shanthisagara*
71	**Davanagere**	*KondajjiKere*
72	**Harihara**	*Harihara, Harihareshwara Temple*
73	**Harappanahalli**	*Bagali,Kalleswara*
74	**Honnali**	*SantahebennurePushkerni /UchangiDurga, Thirtharameswara*
75	**Jagalur**	
DHARWAD		
76	**Dharwad**	*Sadhankeri Lake, NrupathungaBettaSadanakere*
77	**Hubli**	*Siddaroodha Matha, Vorooru, Sanjivini Park*
78	**Kalghatagi**	
79	**Kundagol**	
80	**Navalgund**	*Navalgunda*
GADAG		
81	**Gadag**	*Lakkundi, Gadag, BeeshmaKere*
82	**Mundaragi**	*Singatalur*
83	**Naragund**	*Naragund*
84	**Ron**	
85	**Shirahatti**	

Sr. No	Taluka	Location
GULBARGA		
86	**Afzalpur**	*Ganagapura, Datta Temple*
87	**Aland**	*Aland*
88	**Chincholi**	*Chandrampalli Dam, Chincholi*
89	**Chittapura**	*KhajaBandhe Nawaz Darga, Chayabhagawathi, Sannathi,Kalgi*
90	**Gulbarga**	*Gulbarga*
91	**Jevargi**	*Jevargi*
92	**Sedam**	*Sedam,Malkhed*
HASSAN		
93	**Alur**	
94	**Arakalgod**	*Ramanathpur, Gorur Dam*
95	**Arasikere**	*Haranahalli*
96	**Belur**	*Belur, Halebidu*
97	**Channarayapatna**	*Shravanabelagola*
98	**Hassan**	*Hassan, MosaleHosahalli, Shanthigrama, Koramangala, Doddagaddavalli*
99	**Holenarsipura**	*Sri RamadevaraBetta*
100	**Sakeleshpura**	*Maragunda*
HAVERI		
101	**Byadagi**	*Kaginele*
102	**Hanagal**	*Hanagal*
103	**Haveri**	
104	**Hirekerur**	*Aabalur*
105	**Rannebennur**	
106	**Savanur**	
107	**Shiggaon**	*Shiggaon, Shishunala,Bada*
KODAGU		
108	**Madikeri**	*Madikeri, Abbey Falls, Talacauvery, Nalkan adu Palace, Bhagamandala, Omkareshwara temple, KakkabbeShrilguthappa*
109	**Somwarpet**	*Cauvery Nisargadhama, Harangi Dam, Kudige, Chattahalli Farm, Nisargadhama*
110	**Virajpet**	*Nagarahole National Park, Irurpu, KundadaBetta*
KOLAR		
111	**Bangarapet**	*KotillingaKammasandra, Kurudumandale, K.G.F., Bethamangala*
112	**Kolar**	*Anthargange*
113	**Malur**	*Avani, BangaraTirupathi*
114	**Mulbagal**	*Mulbagal, Budikote*
115	**Srinivasapura**	

Sr. No	Taluka	Location
KOPPAL		
116	**Gangavathi**	*Anegundi, Kanakagiri*
117	**Koppal**	*Koppal, Hulligemma Temple, GaviMatha*
118	**Kushtagi**	
119	**Yelburga**	*Ittigi, Kuknur*
MANDYA		
120	**Krishnarajpet**	*DariaDaulath, Hosaholalu, Kikkeri, Hemagiri Falls, Basaralu*
121	**Maddur**	*Kokkarebellur*
122	**Malavalli**	*Shivanasamudra*
123	**Mandya**	*Hanumanthanagara Eco Park, Gaanadalu, Hosabudanur*
124	**Nagamangala**	*Adhichunchanagiri*
125	**Pandavapura**	*Melkote, Thonnurkere*
126	**Srirangapattna**	*Srirangapatna, Nimishamba Temple, Brindavan Gardens, Ranganthittu, Hulikere, Krishnarajasagara dam*
MYSORE		
127	**H.D.Kote**	*Kharapura*
128	**Hunsur**	*Gomatagiri*
129	**K.R. Nagar**	
130	**Mysore**	*Mysore, Mysore Palace & Art Gallery, Chamundi Hills, Sri Chamarajendra Zoological Gardens*
131	**Nanjanagud**	*Nanjanagud, SuthoorMatha, Sri Kanteshwara Temple*
132	**Periyapatna**	*Bilakuppe Golden Temple*
133	**T Narasipur**	*Talakad, Somanathapur, Gargeshwa ri*
RAICHUR		
134	**Devdurga**	*Gabbur*
135	**Lingasugar**	*Hatti, MudagalMaski*
136	**Manavi**	*Manvi, Kallur*
137	**Raichur**	*Raichur, Naradagudda, Malliabad*
138	**Sindanur**	*Ambadevi Matt*
RAMANAGARA		
139	**Chennapatna**	*Chennapatna, Doddamalur*
140	**Kanakapura**	*Mekedatu (Sangama), Kabbalam Temple*
141	**Magadi**	*Savandurga, Thippagondanahalli,Kootagallu, Magadi*
142	**Ramanagara**	*Ramanagara, Kanva, RevanaSiddeshwara Hills,*

Sr. No	Taluka	Location
SHIMOGA		
143	**Bhadravathi**	*Bhadravathi, Bhadra Dam,*
144	**Hosanagara**	*Nagara, Humcha, Kodachadri*
145	**Sagara**	*Ikkeri, Jog Falls, Varadamoola, Keladi*
146	**Shikaripura**	*Thogarsi, Uduthadi, Ballegavi*
147	**Shimoga**	*Thyaverekopa Lion safari, Sakrebylu Elephant Camp, Gajnuru Dam, Kudli, Gajanur*
148	**Soraba**	*Chandragutti, Soraba, Gudvi Bird Sanctuary*
149	**Thirthahalli**	*Thirthahalli, KuppaliKuvempu Museum, Kavaledurga, Augumbe, MandaGadde Bird Sanctuary, Kundadri, MarichaMrugavade, Ambutheertha*
TUMKUR		
150	**Chikkanaya-kanahalli**	*TheerthaRamalingeshwaraSwamy - Vajra, Handanakere*
151	**Gubbi**	*Gubbi*
152	**Koratagere**	*GoravanahalliLaxmi, Koratagere, SiddaraBetta, Theeta Reservoir*
153	**Kunigal**	*Yediyur, YediyuruSiddalingeshwara Temple, Markonahalli*
154	**Madhugiri**	*Nidagal*
155	**Pavagada**	*Pavagada*
156	**Sira**	*Sira*
157	**Tiptur**	*Araluguppa*
158	**Tumkur**	*Siddaganga, Kaidal, DevarayanaDurga*
159	**Turuvekere**	*Turuvekere*
UDUPI		
160	**Karkala**	*Karkala, KarkalaJainaBasadi, Someshwara Beach*
161	**Kundapura**	*Kundapura, Maravanthe, Kollur, Annejari*
162	**Udupi**	*Udupi, Malpe, St. Mary's Island, KapuKudluThirtha, Sri Krishna Temple*

Sr. No	Taluka	Location
UTTARA KANNADA		
163	**Ankola**	*Ankola*
164	**Bhatkal**	*Murudeshwara, Bhatkal*
165	**Haliyal**	*Haliyal, Dandeli, Dandeli Wild Life Sanctuary,* ***AmbikaNagaraPower Station*** *(no tourism activities permitted due to security reasons)*
166	**Honnavar**	*BasavarajDurga, Idugunji, Kasarkod Beach*
167	**Joida(Supa)**	*Ulavi, Ramanagar, Castle Rocks*
168	**Karwar**	*Karwar, Kurmgad, Anjadev Island, Devagad , Rabindranath Tagore & Deva Bagha Beach*
169	**Kumta**	*Kumta,Gokarna, Yana, Dhareswara, Om Beach*
170	**Mundagod**	*Ativari Bird Sanctuary*
171	**Siddapura**	*Siddapura, Uncholi Falls*
172	**Sirsi**	*Sirsi, Sonda, Banavasi*
173	**Yellapur**	*Yellapur, Sathodi and Magodu Falls, Lalguli Falls*
YADGIRI		
174	**Shahapura**	*Sleeping Buddha*
175	**Surpura**	*Narayanapur Dam, Bonala Bird Sanctuary, RajavenkatappaNayakaKote and Palace*
176	**Yadgiri**	*Yadgiri Fort, Sannakere*

Annexure 4
Constitution of Special Committees for granting approval to Tourism Projects and sanction of Investment Subsidies under the Policy

A. District Tourism Committee

The District Tourism Committee will be headed by the Deputy Commissioner and comprises the following members

- Chief Executive Officer, Zilla Panchayat
- The Commissioner or Chief Officer of City Municipal Corporation or Municipal Council
- The Jurisdictional Executive Engineer, Electricity Supply Company Limited
- The Jurisdictional representative of the Karnataka State Financial Corporation
- The Lead District Manager of the Lead Bank
- The Jurisdictional Joint or Deputy Commissioner of Commercial Taxes
- The Commissioner, Urban Development Authority
- The Assistant Director, Town Planning
- Joint Director, District Industries Centre
- Deputy Director (Tourism) / Assistant Director (Tourism) / Tourism-in-charge officer (Convener)

B. Empowered Committee for Tourism

The Empowered Committee for Tourism will be headed by Hon'ble Minister for Tourism, Government of Karnataka and comprises the following members:

- Additional Chief Secretary/ Principal Secretary to Government, Department of Tourism
- Additional Chief Secretary/ Principal Secretary to Government, Commerce & Industry Department
- Additional Chief Secretary/ Principal Secretary to Government, Urban Development Department
- Principal Secretary to Government, Infrastructure Development Department
- Chairman, Karnataka Eco-Tourism Development Board
- Principal Secretary to Government, Finance Department
- Principal Secretary to Government, Kannada & Culture, Information Department
- Principal Chief Conservator of Forest, Forest Department
- Director, Commerce & Industry Department
- Director, Department of Tourism (Convener)
- Other members as required on a case-to-case basis may be co-opted as special invites

Annexure 5
Government Orders

ಕರ್ನಾಟಕ ಸರ್ಕಾರ

ಸಂ.: ಸಾರಿಇ 75 ಸಾಇಪ 2015

ಕರ್ನಾಟಕ ಸರ್ಕಾರದ ಸಚಿವಾಲಯ,
ಬಹುಮಹಡಿ ಕಟ್ಟಡ,
ಬೆಂಗಳೂರು. ದಿನಾಂಕ: 23.06.2015

ಅಧಿಸೂಚನೆ

ಕರ್ನಾಟಕ ಮೋಟಾರು ವಾಹನ ತೆರಿಗೆ ಕಾಯ್ದೆ 1957 (ಕರ್ನಾಟಕ ಕಾಯ್ದೆ 35:1957) ಕಲಂ 16(1) ಅಡಿಯಲ್ಲಿ ಪ್ರದತ್ತವಾದ ಅಧಿಕಾರವನ್ನು ಚಲಾಯಿಸಿ, ಸಾರ್ವಜನಿಕ ಹಿತಾಸಕ್ತಿಯಿಂದ ಸದರಿ ಕಾಯ್ದೆಯಡಿ 500 ಮೋಟಾರು ಕ್ಯಾಬ್‌ಗಳಿಗೆ ತೆರಿಗೆ ವಿನಾಯಿತಿ ನೀಡುವ ಅವಶ್ಯಕತೆ ಇದೆ ಎಂದು ಸರ್ಕಾರವು ಭಾವಿಸಿ, ವಾರ್ಷಿಕ ರೂ.8.99 ಲಕ್ಷಗಳಿಗೆ ಸೀಮಿತಗೊಳಿಸಿ 100 ಪ್ರವರ್ತಕರ 500 ವಾಹನಗಳಿಗೆ ಕೆಳಕಂಡ ಷರತ್ತುಗಳನ್ನು ವಿಧಿಸಿ ಕರ್ನಾಟಕ ಪ್ರವಾಸೋದ್ಯಮ ನೀತಿಯ ಅವಧಿ 2015-20 ರವರೆಗೆ ಈ ಅಧಿಸೂಚನೆ ಹೊರಡಿಸಿದ ದಿನಾಂಕದಿಂದ ಅನ್ವಯವಾಗುವಂತೆ ಮೋಟಾರು ವಾಹನ ತೆರಿಗೆ ಪಾವತಿಯಿಂದ ವಿನಾಯಿತಿ ನೀಡಲಾಗಿದೆ.

1. ಈ ರಿಯಾಯಿತಿಯು ಪ್ರವಾಸಿ ಪ್ರವರ್ತಕರಿಗೆ ಮಾನ್ಯ ಅನ್ವಯಿಸುತ್ತದೆ.
2. ಪ್ರವಾಸಿ ಪ್ರವರ್ತಕರು ಪ್ರವಾಸೋದ್ಯಮ ಇಲಾಖೆಯೊಂದಿಗೆ ನೋಂದಾಯಿಸಿರಬೇಕು.
3. ಪ್ರವಾಸಿ ಪ್ರವರ್ತಕರು ಕನಿಷ್ಠ 5 ವಾಹನಗಳನ್ನು ಪ್ರವಾಸೋದ್ಯಮ ಚಟುವಟಿಕೆ ಸಂಬಂಧಿಸಿದಂತೆ ಖರೀದಿಸಬೇಕು.
4. ಇಂತಹ ತೆರಿಗೆ ವಿನಾಯಿತಿಯನ್ನು ಪ್ರವಾಸೋದ್ಯಮ ನೀತಿ ಅವಧಿಯಲ್ಲಿ ಸುಮಾರು 500 ಪ್ರವಾಸಿ ವಾಹನಗಳಿಗೆ ವಿಸ್ತರಿಸಲಾಗುವುದು (5 ವಾಹನಗಳು ಪ್ರತಿಯೊಬ್ಬರಿಗೆ)
5. 1988ನೇ ಮೋಟಾರು ವಾಹನ ಕಾಯ್ದೆ ಕಲಂ 74ರ ಅಡಿಯಲ್ಲಿ ರಹದಾರಿ ಹೊಂದಿರಬೇಕು.
6. ಕರ್ನಾಟಕ ಪ್ರವಾಸೋದ್ಯಮ ಇಲಾಖೆಯೊಂದಿಗೆ ಗುತ್ತಿಗೆ ಹೊಂದಿರಬೇಕು (ಲೀಸ್ ಒಪ್ಪಂದ) ಮತ್ತು ಪ್ರವಾಸೋದ್ಯಮ ಚಟುವಟಿಕೆಗಾಗಿ ಪ್ರವಾಸೋದ್ಯಮ ಇಲಾಖೆಗೆ ಮಾತ್ರ ವಾಹನಗಳನ್ನು ಓಡಿಸುವುದು.
7. ಲೀಸ್ ಒಪ್ಪಂದ ಮುಗಿದ ತಕ್ಷಣ ಈ ವಾಹನ ಮಾಲೀಕರು ಸಂಬಂಧಿಸಿದ ಪ್ರಾದೇಶಿಕ ಸಾರಿಗೆ ಅಧಿಕಾರಿ ಕಚೇರಿಗೆ ಮಾಹಿತಿ ಒದಗಿಸುವುದು.
8. ಕರ್ನಾಟಕ ರಾಜ್ಯ ಪ್ರವಾಸೋದ್ಯಮ ಇಲಾಖೆಯ ನಿರ್ಬಂಧಗಳನ್ನು ಮೀರಿ ಅಥವಾ ಕರ್ನಾಟಕ ರಾಜ್ಯ ಪ್ರವಾಸೋದ್ಯಮ ವಲ್ಲದ ಉದ್ದೇಶಕ್ಕಾಗಿ ವಾಹನವನ್ನು ಯಾವುದೇ ಸಂದರ್ಭದಲ್ಲಿ ಬಳಸಿದಲ್ಲಿ ವಾಹನಕ್ಕೆ ನೀಡಿರುವ ತೆರಿಗೆ ವಿನಾಯಿತಿಯು ಕೂಡಲೇ ರದ್ದಾಗುತ್ತದೆ.
9. ತೆರಿಗೆ ವಿನಾಯಿತಿಗೆ ಅರ್ಹರಾಗುವ ಮೋಟಾರ್ ಕ್ಯಾಬ್‌ಗಳನ್ನು ಪ್ರವಾಸೋದ್ಯಮ ಇಲಾಖೆಯು ಗುರುತಿಸಿ ಸಾರಿಗೆ ಆಯುಕ್ತರಿಗೆ ಶಿಫಾರಸ್ಸುಮಾಡತಕ್ಕದ್ದು. ಅದರಂತೆ ಸಾರಿಗೆ ಆಯುಕ್ತರು ಸದರಿ ಮೋಟಾರು ಕ್ಯಾಬ್‌ಗಳಿಗೆ ತೆರಿಗೆ ಪಾವತಿಯಿಂದ ವಿನಾಯಿತಿ ನೀಡಲು ಕ್ರಮ ವಹಿಸತಕ್ಕದ್ದು.

ಕರ್ನಾಟಕ ರಾಜ್ಯಪಾಲರ ಆದೇಶನುಸಾರ
ಮತ್ತು ಅವರ ಹೆಸರಿನಲ್ಲಿ

(ಕೆ.ಬೀರೇಶ್)
ಸರ್ಕಾರದ ಅಧೀನ ಕಾರ್ಯದರ್ಶಿ,
ಸಾರಿಗೆ ಇಲಾಖೆ.

ಇವರಿಗೆ:

ಸಂಕನಕಾರರು, ಕರ್ನಾಟಕ ವಿಶೇಷ ರಾಜ್ಯ ಪತ್ರ, ವಿಕಾಸಸೌಧ, ಬೆಂಗಳೂರು ಇವರಿಗೆ ಪ್ರಕಟಿಸಲು ಹಾಗೂ 200 ಪ್ರತಿಗಳನ್ನು ಪೀಠಾಧಿಕಾರಿ, ಸಾರಿಗೆ ಇಲಾಖೆ, ಬಹುಮಹಡಿ ಕಟ್ಟಡ, ಬೆಂಗಳೂರು ಇವರಿಗೆ ಕಳುಹಿಸುವಂತೆ ಕೋರಿದೆ.

ಪ್ರತಿಗಳು:

1. ಮಹಾಲೇಖಪಾಲರು (ಜಿ ಅಂಡ್ ಎಸ್ಎಸ್ಎ), (ಇ ಅಂಡ್ ಆರ್ಎಸ್ಎ) ಮತ್ತು (ಎ ಅಂಡ್ ಇ), ಕರ್ನಾಟಕ, ಬೆಂಗಳೂರು.
2. ಸರ್ಕಾರದ ಅಪರ ಮುಖ್ಯ ಕಾರ್ಯದರ್ಶಿ, ಪ್ರವಾಸೋದ್ಯಮ ಇಲಾಖೆ, ವಿಕಾಸಸೌಧ.
3. ಆಯುಕ್ತರು, ಸಾರಿಗೆ ಮತ್ತು ರಸ್ತೆ ಸುರಕ್ಷತೆ, ಟಿಟಿಎಂಸಿ ಸಂಕೀರ್ಣ, 1ನೇ ಮಹಡಿ, 'ಎ' ಬ್ಲಾಕ್, ಶಾಂತಿನಗರ, ಬೆಂಗಳೂರು.
4. ಎಲ್ಲಾ ಅಪರ/ಜಂಟಿ/ಉಪ ಸಾರಿಗೆ ಆಯುಕ್ತರು (ಸಾರಿಗೆ ಆಯುಕ್ತರ ಮುಖಾಂತರ).
5. ನಿರ್ದೇಶಕರು, ಪ್ರವಾಸೋದ್ಯಮ ಇಲಾಖೆ, ಬೆಂಗಳೂರು.
6. ಸರ್ಕಾರದ ಅಧೀನ ಕಾರ್ಯದರ್ಶಿ, ಆರ್ಥಿಕ ಇಲಾಖೆ (ವೆಚ್ಚ-12), ವಿಧಾನಸೌಧ, ಬೆಂಗಳೂರು.
7. ಎಲ್ಲಾ ಪ್ರಾದೇಶಿಕ/ಸಹಾಯಕ ಪ್ರಾದೇಶಿಕ ಸಾರಿಗೆ ಅಧಿಕಾರಿಗಳು (ಸಾರಿಗೆ ಆಯುಕ್ತರ ಮುಖಾಂತರ).
8. ಸರ್ಕಾರದ ಅಪರ ಮುಖ್ಯ ಕಾರ್ಯದರ್ಶಿಗಳ ಆಪ್ತ ಕಾರ್ಯದರ್ಶಿ, ಸಾರಿಗೆ ಇಲಾಖೆ.
9. ಶಾಖಾ ರಕ್ಷಾಕಡತ/ಹೆಚ್ಚುವರಿ ಪ್ರತಿಗಳು.

GOVERNMENT OF KARNATAKA

No. FD 01 CLT 2015

Karnataka Government Secretariat,
Vidhana Soudha,
Bangalore, dated: 19.06.2015.

NOTIFICATION

In exercise of the powers conferred by section 12-A of the Karnataka Tax on Luxuries Act, 1979 (Karnataka Act 22 of 1979), the Government of Karnataka being of the opinion that it is necessary in the public interest so to do, hereby exempts with immediate effect the tax payable under the said Act by Home stays, Yatri niwas, Youth hostels/dormitories for a period of ten years from the date of commencement of operations, or the date of commencement of this notification whichever is later on actual room charges of Rs.5000/- or below per day.

Explanations I:- For the purpose of this notification a 'Home stays, Yatri niwas, Youth hostel/dormitories means a New Tourism Unit recognized by the Director of Tourism, Government of Karnataka as a 'New Tourism Unit' eligible for the concessions under the G.O. No TD 81 TTT 2014, Bangalore, dated 26/03/2015.

Explanations II:- The provisions of this notification shall not be applicable to,-

(i) the units whose investments are for expansion, modernization and diversification of an existing tourism unit or to an unit established in a different name after the closure of another unit, which existed prior to 1st June 1997;

(ii) the unit which ceases to be a tourism unit, from the date of it ceasing to be so; and

(iii) the charges for lodging on which tax is collected by the eligible units under the provisions of the Karnataka Tax on Luxuries Act, 1979.

Procedure:

I. A new Tourism Unit claiming tax exemption under this notification shall produce before the concerned Assessing Authority the original certificate issued by the Director of Tourism, Government of Karnataka certifying.-

(a) that the unit is registered by the Director of Tourism;

(b) that the unit is eligible for the exemption from payment of Luxury Tax in terms of Government Order No. TD 81 TTT 2014, Bangalore, dated: 26/03/2015;

(c) the date of commencement of the tourism services by the unit; and

(d) that during each accounting year during the period in which it is eligible for the concession, the unit was an eligible tourism unit and that where it ceased to be so, that date from which it ceased to be so.

II. (i) In the first year of claim of exemption under this notification, the certificate specified in clauses (a) to (d) above shall be produced by the eligible tourism unit within three months from the date of commencement of tourism services, or the date of this notification, whichever is later.

(ii) in each of the subsequent years for which exemption is claimed under this notification, the eligible tourism unit shall produce before the Assessing Authority a certificate from the Director of Tourism, Government of Karnataka, the unit continued to be a recognized unit for the purpose of exemption under this notification, within one month from the commencement of the concerned year or date of ceasing of the period of eligibility whichever is applicable;

Provided that the Luxury Tax Officer may for sufficient reasons entertain certificates produced after the aforesaid periods specified in clauses (i) and (ii) above

III. The Registering Authority or any other Authority duly authorized by the Commissioner of Commercial Taxes (K) under the provisions of the Karnataka Tax on Luxuries Act 1979, shall verify the correctness of room rental upto Rs. 5000/- claimed as exemption in terms of the G.O. No TD 81 TTT 2014 dated: 26.03.2014 periodically. The said authorities shall also verify and examine the correctness of payment of luxury tax in excess of the room rentals of Rs. 5000/- per day.

By order and in the name of the
Governor of Karnataka,

R. Meenakshi

(R.MEENAKSHI)
Under Secretary to Government(I/c),
Finance Department (C.T.-1).

10/6/15

To:

The Compiler, Karnataka Gazette, Bangalore for publication in the Extraordinary Gazette dated 19-06-2015 and supply 700 copies to the Finance Department (CT-1) and 1000 copies to the Commissioner of Commercial Taxes, Gandhinagar, Bangalore-9.

Copy to:

1. The Accountant General (Accounts) (Audit), Karnataka Bangalore.
2. The Commissioner of Commercial Taxes, Gandhinagar, Bangalore-9.
3. The Secretary, Karnataka Legislature Secretariat, Bangalore.
4. The Secretary, Department of Parliamentary Affairs & Legislation, Bangalore.
5. Weekly Gazette/Spare Copies.

GOVERNMENT OF KARNATAKA

No. FD 3 CET 2015

Karnataka Government Secretariat
Vidhana Soudha,
Bangalore dated: 09-06-2015

Notification

In exercise of the powers conferred by Section 11-A of the Karnataka Tax on Entry of goods Act, 1979 (Karnataka Act 27 of 1979), the Government of Karnataka, being of the opinion that it is necessary in the public interest to do so, with effect from the 26th day of March 2015, hereby fully exempts the tax payable under the said Act.-

(i) On the entry of plant and machinery and capital goods for use into a local area caused by a dealer which is a new Tourism unit for a period of **three years** from the date of commencement of its project implementation.

(ii) On the entry of any goods for use as raw materials, inputs, component parts and consumables (excluding petroleum products) into a local area caused by a dealer which is a new Tourism unit for a period of **five years** from the date of commencement of commercial production; and

(iii) On entry of Plant and machinery and capital goods for use into a local area caused by a dealer which is a mega project and a Tourism unit for a period of **five years** from the date of commencement of its project implementation.

1

Explanations:- (1) For the purpose of this notification,

(a) **"Capital Goods"** means plant and machinery, cold storage equipments used in the course of business other than for sale.

(b) **"New Tourism unit "** means a unit which has made new investments on fixed assets and includes an existing unit undertaking with expansion or diversification or modernisation to the extent specified in the Government Order No TD 81 TTT 2014 dated 26th March, 2015,

(c) **"Mega Project"** means a Tourism unit with an investment in fixed assets above Rs.100 crores and upto Rs.500 crores.

Note: (1) (a) This notification is applicable to new Tourism units or mega Projects as per the Government Order No. TD 81 TTT 2014 dated 26th March, 2015; and

(b) This notification is applicable to all new and additional investments for expansion or diversification or modernization of existing Tourism Units made on or after 26th March 2015, and on or before 25th March 2020.

(2) This Notification shall not apply to such of those tourism units Which have already been granted a package of Incentive and Concessions as per the previous Tourism Policies.

Procedure: The Tourism unit claiming tax exemption under this notification shall produce the following documents before the jurisdictional local VAT office at the time of filing first monthly or quarterly statements under the Karnataka Tax on Entry of Goods Rules, 1979;

2

(a) In the case of a new tourism unit, a certificate in original issued by the authorities specified in column (2) of the table for projects specified in column (1) thereof shall be produced.

TABLE

Eligible Project cost	**Authority for project approvals**
(1)	**(2)**
Upto 15 crores	District Tourism Committee, under the chairmanship of Deputy Commissioner of the respective district
Above 15 to 100 crores and soft activities related to Tourism	Empowered Committee for Tourism under the Chairmanship of Honourable Minister of Tourism.
Mega Projects, Ultra projects and super mega projects (more than Rs.100 crores)	State High Level Clearance Committee (SHLCC) under the Chairmanship of Honourable Chief Minister.

(b) that it is a unit registered as such;

(i) the unit promoted by such category of entrepreneur as specified in the Government Order No TD 81 TTT 2014 dated 26th March, 2015.

(ii) the value of fixed assets in terms of land, building and plant and machinery and such other equipments which are directly related to production purpose on the date of commencement of commercial operations;

3

(iii) that no part of its fixed assets other than land and building is old/used/second-hand, with the exception of those imported from outside the country;

(iv) the date on which investment and fixed assets had taken place;

(v) the dates of commencement and completion of project implementation of the unit;

(vi) the date of commencement of its commercial operation;

(vii) that it is eligible for exemption from payment of entry tax as per the Government Order No.TD 81 TTT 2014 dated 26th March, 2015,

(viii) the investment in the unit does not take place as per the approved programme of investment, the unit shall be liable to pay tax exempted under this notification together with interest at 2.5% per month; and

(ix) the assessing authority shall be at liberty to verify and determine the eligibility of any certificates or claims relating to tax concession under this notification in exercise of its statutory authority.

(b) In case of an existing unit making additional investment in expansion or diversification or modernization, a certificate in original issued by the following authorities in original shall be furnished at the time of filing of first monthly or quarterly statement under the Karnataka Tax on Entry of Goods Rules, 1979, after the commencement of expansion or diversification or modernization programme certifying the quantum of investment in fixed assets made for creating new assets under expansion or diversification or modernization programme and that the investment

in expansion or diversification or modernization has been made on or after 26th March, 2015 and that the unit satisfies the definition of expansion or diversification or modernization and it is eligible for entry tax exemption under the Government Order No TD 81 TTT 2014 dated 26th March, 2015.

By order and in the name of the
Governor of Karnataka,

R. Meenakshi

(R.MEENAKSHI),
Under Secretary to the Government(I/c)
Finance Department (C.T.-I).

To:

9/6/15 Under Secretary to Government
Finance Department (C.T.-I)

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