

Heritage Tourism Policy

The definition of Heritage Hotel:- As per the definition of the Department of Tourism, GoI the heritage value old buildings/forts/havelies/kothis/castles constructed prior to 1950 on being operated as hotels will be included in the category of heritage hotels. Heritage hotels can be of any size and dimension.

- **Criteria for heritage hotel establishment:-**

- (i) The conversion of buildings of heritage value into hotels in Uttar Pradesh will be valid as per the criteria laid down by Government of India's Tourism Department.
- (ii) The construction of building of heritage value converted into heritage hotel should be prior to 1950.
- (iii) The architectural features of any building of heritage value should be retained as far as possible. If need arises, any extension/improvement/renovation/change/maintenance in the building should be in keeping with the original architectural features and in harmony with it.
- (iv) The imminent surroundings of heritage value building and especially, approaches to heritage value properties should be in consonance with the architectural features of the heritage hotel.
- (v) The frontage of building, architectural style and general construction work should be completely indicative of local place's cultural specialties/traditions. The facilities available in the above hotel should be as clean as possible and of high class.
- (vi) Heritage hotel should provide high class cuisine and food & beverage service and should give the flavour and taste of local traditions. The services available in hotel, facilities and immediate surroundings should be of high standard.

- **The classification of Heritage Hotel:-** As per the criteria laid down by the Tourism Department, GOI, on the basis of antiquity of construction and facilities available in the buildings of heritage value, the heritage hotels have been classified into three main categories:-

- (i) **Heritage Hotel:** Built prior to 1950, in which there should be minimum of 5 rooms compulsorily.
- (ii) **Heritage Classic:** Built prior to 1935, in which there should be minimum of 15 rooms compulsorily.
- (iii) **Heritage Grand:** Built prior to 1920, in which there should be minimum of 25 rooms compulsorily.

- **Package of special concessions and incentives for Heritage hotel:-**

- (i) Under the Heritage Tourism Policy, there will be no restriction on the limit of capital investment, i.e. the heritage hotel projects would qualify for rebates in the event of unlimited capital investment also. Whether any place has the potential of developing into a heritage tourism place or not, its examination, project proposal and regular monitoring will be done by a committee constituted under the chairmanship of Deputy Director, Tourism.
- **Luxury Tax:-** Heritage hotels would be given 100% exemption in Luxury Tax from either the date of their commercial running or the date indicated by the applicant, whichever is later for first 10 years for the units with an investment of over Rupees 100 lakh, and first 5 years for the units with an investment of less than Rupees 100 lakh.
 - **Entertainment Tax:-** Heritage hotels would be given 100% exemption in Entertainment Tax from either the date of their commercial running or the date indicated by the applicant, whichever is later for first 10 years for the units in rural areas and first 05 years for the units in urban areas.
 - **Capital Investment Subsidy:-** Amount equal to Capital Funding of 25% of the Capital Cost of Project Cost or Rs. 150 lakh, whichever is less, will be given by Uttar Pradesh Government under the capital investment subsidy for construction/extension of Heritage Hotels. 120% amount of the loan obtained by a promoter from a nationalized bank for any project of construction / extension of heritage hotel, will be considered as project cost. 25 percent of only that portion of this total project cost will be given by the State Government as capital investment subsidy, expenditure of which is proposed to be under the capital head. The maximum limit of capital investment subsidy would be Rs 150 lakh.
 - **Interest Subsidy:-** In the event of getting project appraisal from financial institutions licensed and approved by Reserve Bank of India and on taking loan from such institutions for construction of heritage hotels in the state 5% interest subsidy would be given in favour of heritage hotel owner. The liability of interest subsidy would be permissible upto a maximum of 05 years period from the date of approval of loan. Above interest subsidy would be permissible to a maximum of 5 crore loan.

- **Energy Subsidy:-** The following energy subsidy would be payable to Heritage hotel:-
 - (a) The amount of capital expenditure spent by heritage hotel on establishing non- conventional energy sources and generators if included in the project cost and has been approved for loan by a financial institution then its 25% subsidy would be given by State Government which will be payable in the form of capital investment subsidy and would be considered a part of approved total permissible capital funding.
 - (b) Of the total expenditure coming on the special line upto a maximum distance of 15 km from 33 KV sub-station to heritage hotel to maintain the continuity of electricity supply for heritage hotel, 25% would be incurred by the State Government and rest 75% would be incurred by the entrepreneur
- **Concession in Stamp duty:-** If for establishing a heritage hotel any building and its appurtenant land is purchased then on such transfer deeds 100% of the payable stamp duty will be reimbursed in the form of subsidy by the Department of Tourism, provided owner of the building and its appurtenant land is the same person. The payment of the amount of reimbursement of rebate in stamp duty would be done only after the completion of construction of heritage property and successful completion of its one year commercial running and obtaining the classification of heritage hotel class from Hotel and Restaurant Approval and Classification Committee (HRACC).
- **Land-Use Conversion Charge:-** If in any development area, where land-use is demarcated, there old properties of heritage value are converted into heritage hotel then the concerned Development Authority would give 100% rebate in conversion charges terming such land-use of the converted property as "Heritage Hotel".
- **Excise License Fee:-** For Bar license in their premises 100% rebate would be given in License Fee for the first five years to Heritage Hotels set up in rural areas.
- **Transport Tax:-** Cent-percent exemption would be given in transport tax for a period of 05 years on transport vehicles being used for transfer services from nearest bus stand, railway station and airport and for local visits of Indian as well as foreign tourists staying in the heritage hotel.
- **Road Link Route:-** State Government would give preference to the arrangement of better and encroachment free link roads to heritage hotels. It will also be ascertained that the roads built by the Public Works Department would be for public traffic and proposed roads should not be personal property.
- **Publicity-Broadcasting:-** The State Government would do the publicity-broadcasting of products and activities related to heritage tourism through mediums like departmental tourism literature and website etc.
- A single-window arrangement will be adopted for heritage hotel and other tourist related projects and Department of Tourism would act as a nodal agency for help if any, required for these projects from any government department, so that there would be ease in getting no-dues and approval for tourism related projects and their implementation starts as quickly as possible. The Department of Tourism would form a committee, which will tour from time to time and at least once in three months and would examine heritage units and will take action to address the difficulties before them and provide necessary cooperation.
- This policy does not restrain the heritage hotel owners for obtaining more or better benefits/ funding from other sources than the funding rebates and other benefits provisioned in this policy.
- The above heritage policy would be applicable for a period of 05 years from the date of issuing of orders.