



# MUNICIPAL ACCOMMODATION TAX



# 2017 ONTARIO BUDGET

2017 Ontario Budget  
A Stronger, Healthier Ontario

- Ontario Regulation 435/17
- Granted Municipalities the authority to impose Municipal Accommodation Tax (MAT)



# WHAT IS MUNICIPAL ACCOMMODATION TAX?

- Also known as MAT
- Is a Tax which the Municipality has the authority to impose on all accommodators with a room renting consecutive room nights of under 30 days.

A background image of a hotel room. It features a large bed with white linens and a brown patterned throw blanket. To the left of the bed is a desk with a chair and a window with white curtains. To the right of the bed is a nightstand with a lamp. The room has a carpeted floor and a framed picture on the wall.

# WHO IS ELIGIBLE TO COLLECT MAT?

- Hotels
- Motels
- Bed & breakfasts
- Resorts
- Outposts and Floating lodges
- AirBnB or VRBO
- Tent and Trailer sites
- Outposts and Floating lodges



# REVENUE

50% goes to the municipality to support:

Possible Funding Uses: Capital Improvements

Annual Rent at Tourism Center

Services ( Marina, New Space at Woodlot, Rink)

Economic Development related to Tourism

Small Grant Program to support events

50% goes to DMO ( RRFDC)

Possible Funding Uses:

Market Square Events and Promotion

Marketing and Promotion

# TOTAL ESTIMATED REVENUES

## SIoux LOOK OUT MAT 4%

Hotels	\$411,208
Resorts	\$ 87,054
Outposts- Floating	<u>\$262,139</u>
Total Revenue	<u>\$760,402</u>

## Thunder Bay MAT 4%

Hotels \$2,000,000

## Kenora MAT 4%

Hotels and Resorts \$450,000





# TOTAL ESTIMATED REVENUES

- **Hotel Rooms    220 units @ 70% x 365 x \$120 (67+70+59+24)    \$296,800**
  - Acting as agents for the municipality to collect the tax.
- **Hotel Rooms    27 units @ 50% x 365 x \$60    \$11,800**
  - Required to show the tax as a separate item on every invoice/receipt.
  - Label it as “Municipal Accommodation Tax” or “Fort Frances Accommodation Tax”
- **Air BnB    3**  
**\$ 500**
- **Camps    1 (seasonal business)**  
**\$1,000    \$200 a night x 140 nights x 80% occupancy    TOTAL Approx. \$300,000**



# MUNICIPALITIES SUPPORTING OR ASSESSING MAT

## Passed & Supported

- Mississauga
- Sudbury
- Ottawa
- London
- Toronto
- Brockville
- Sioux Lookout
- Kenora
- Kingston
- Barrie
- Thunder Bay
- North Bay
- Niagara Region
- International Falls 3%
- Winnipeg
- Vancouver 5%
- Entire Province Quebec
- Windsor
- Sault Ste Marie
- Dryden – Report in late June (assessing)



# HOW THIS AFFECTS BUSINESSES

- **Tax Collection**

- Acting as agents for the municipality to collect the tax.

- **Invoice labelling**

- Required to show the tax as a separate item on every invoice/receipt.
- Label it as “Municipal Accommodation Tax” or “Fort Frances Accommodation Tax”

- **Remittance**

- A Municipal Accommodation Tax Return form will be made available to all providers and will be required to be remitted with payment by the end of each month for the tax collected in the previous month.
- This will align with the timing of the CRA and monthly HST remittance.



# HOW THIS AFFECTS BUSINESSES

Municipalities may:

- Charge for Late Payments
- Set Fines & Other Enforcement
- Request an Audit