



## CORPORATION OF THE CITY OF SUMMERSIDE

**BYLAW NAME:** TOURISM ACCOMMODATION LEVY BYLAW

**BYLAW #:** # CS-7

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BE IT ENACTED by the Council of the City of Summerside as follows:

1. Title

1.1. This bylaw shall be known and cited as the "Tourism Accommodation Levy Bylaw."

2. Authority

2.1. Section 161 of the *Municipal Government Act*, RSPEI 1988, c M-12.1., enables council, by bylaw, to impose a tourism accommodation levy on any person who for a daily charge, fee or remuneration purchases accommodation at a tourism establishment in the City of Summerside.

3. Application

3.1. This bylaw applies to all accommodations providers in the City of Summerside.

3.2. The intent of provisions of this bylaw is not invalidated by any errors in its drafting, and should any provision of this bylaw be held by a court of competent jurisdiction to be invalid, the validity of the remainder of the bylaw shall not be affected.

4. Definitions

4.1. In this bylaw:

- (a) "Act" means the *Municipal Government Act*, RSPEI 1988, c M-12.1;
- (b) "accommodation" means the provision of lodging in a tourism establishment;
- (c) "City" means the City of Summerside;
- (d) "Council" means the Mayor and other members of the Council of the municipality;
- (e) "Operator" means the operator of a tourism establishment;

- (f) “purchase price” means the price for which accommodation is purchased, including the price in money, the value of services rendered and other consideration accepted by the Operator in return for the accommodation provided, but does not include the harmonized sales tax (HST);
- (g) “Tourism Accommodation Levy” means the tourism accommodation levy imposed pursuant to this bylaw;
- (h) “tourism establishment” means a tourism establishment, as defined in the *Tourism Industry Act*, RSPEI 1988, c T-3.3.

## 5. Application of Levy

- 5.1. A Tourism Accommodation Levy is hereby imposed in the City and the rate shall be 3.0% of the purchase price of the accommodation for all accommodations in the City.
- 5.2. The Levy is HST applicable.
- 5.3. The Tourism Accommodation Levy, whether the price is stipulated to be payable in cash, on terms, by installments or otherwise, shall be collected at the time of the purchase on the total amount of the purchase price and shall be remitted to the City on a quarterly basis.
- 5.4. Where an Operator sells accommodation in combination with meals and other packaged services for an all-in-one price, the purchase price of the accommodation shall be deemed to be the purchase price of the accommodation when such accommodations are offered for sale in the same tourism establishment without such specialized services.

## 6. Exemption from Levy

- 6.1. The Tourism Accommodation Levy shall not apply to:
  - (a) establishments with fewer than ten (10) rooms;
  - (b) a student who is accommodated in a building owned or operated by a post-secondary educational institution while the student is registered at and attending a post-secondary educational institution;
  - (c) a person who is accommodated in a room for a continuous period of one month or more; or
  - (d) a person and/or member of the person's family, accommodated while the person and/or a member of the person's family is receiving medical treatment at a hospital or provincial health-care centre or seeking specialist medical advice, provided the person or member of the person's family provides the Operator with a written statement from a hospital, provincial

health-care centre or physician licensed to practice medicine in the Province of Prince Edward Island that the person and/or member of the person's family is receiving medical treatment, that as a result the person or member of the person's family is in need of accommodation, and the time period for which such accommodation is required.

6.2. The City will work with Operators on:

- (a) providing for the forms and records to be maintained by an Operator and the information to be recorded therein;
- (b) providing for the method of the collection of the Tourism Accommodation Levy by the City and the remittance of the Tourism Accommodation Levy by an Operator, and any other conditions or requirements affecting the collection and remittance of the Tourism Accommodation Levy;
- (c) providing for the method by which a purchase price may be attributed to accommodations that are sold as part of a combination of accommodations, meals and specialized goods or services;
- (d) providing for the inspection and audit of records maintained by the Operator.

## 7. Registration of Operator

- 7.1. Every Operator of a facility providing accommodations to which this bylaw applies shall apply for and be issued a registration certificate by the City.
- 7.2. If an Operator owns more than one establishment in the City, they are required to obtain a registration for each individual property.
- 7.3. The registration certificate shall be displayed in a prominent location on the premise.
- 7.4. Any changes by the Operator in his or her business including ownership, change of address, operating structure shall notify the City forthwith.
- 7.5. When an Operator changes the name or nature of the business, he shall forthwith return the registration certificate to the City to be issued a new one.
- 7.6. When an Operator ceases to carry on business in respect to the nature of this registration certificate, the certificate shall thereupon be void, and he shall return the same to the City within 15 days of the date of discontinuance.

- 7.7. Where the registration is lost or destroyed, application shall be made to the City for a copy of the original.
- 7.8. A registration certificate is non-transferable.

## 8. Return and Remittance

- 8.1. The Tourism Accommodation Levy shall be remitted on a quarterly basis (based on a calendar year) to the City and returns by the Operator shall be made and the levy remitted to the City by the 15<sup>th</sup> day of the month following the end of each quarter.
- 8.2. All Operators shall provide the City with a quarterly statement (as prescribed by the City) detailing the total number of rooms sold by month, the purchase price for each and the amount of levy collected, or to be collected for each room.
- 8.3. In addition, the City at its discretion may require the Operator to furnish a statement detailing the number of rooms sold in a specified period(s), the purchase price and the amount of levy collected for each room and any other information deemed to be pertinent in order for the City to verify the proper collection and remittance of the levy.
- 8.4. Each Operator shall provide individual quarterly statements per property, unless a consolidated return has been approved by the City.
- 8.5. If an Operator during the preceding period has collected no levy, he or she shall nevertheless make a report to the City on the prescribed forms.
- 8.6. Upon dissolution of the operation, the Operator shall make a return to the City and remit the levies outstanding within 15 days of the ceasing of operations.

## 9. Records

- 9.1. Every Operator shall keep books of account, records and documents sufficient to furnish the City with the necessary information for:
  - (a) sales of accommodation; and
  - (b) amount of levy collected.
- 9.2. All entries concerning the levy in such books of accounts, records and documents, shall be separate and distinguishable from other entries made therein.
- 9.3. These records shall be kept for a period of not less than seven years or until such other time as the City authorizes their destruction.

- 9.4. Where a receipt, bill, invoice or other document is issued by a person selling the accommodation, the levy shall be displayed as a separate entry on the document.

## 10. Inspection, Audit and Assessment

- 10.1. A person appointed by the City may enter at a reasonable time the business premise occupied by a person, or the premises where the person's records are kept
- (a) to determine whether or not the person is an Operator, or the premises are accommodations within the meaning of this bylaw;
  - (b) to determine whether or not this bylaw is being and has been complied with;  
or
  - (c) to inspect, audit and examine books of account, records, or documents.

## 11. Action on Arrears

- 11.1. Where a levy imposed by the Council is in arrears, in addition to other remedies that the Council has to enforce payment, the Council may disconnect the service of an electrical system, water system, sewage system or water and sewage system provided to the person who owes the levy to the Council.

## 12. Use of Funds

- 12.1. The proceeds raised by the Tourism Accommodation Levy shall be used to promote the City as a tourist destination.
- 12.2. All of the funds will be allocated to a Special Events Reserve Fund, administered through the City. This fund will be used to attract special events that have a direct impact related to tourism enhancement and promotion and the potential to raise new revenues for the municipality.
- 12.3. Funds collected each year that are not used in the current year would be invested, and in subsequent years, only the investment revenue would be used for these purposes.

## 13. Administration of Bylaw

- 13.1. This bylaw shall be administered by the Tourism Advisory Levy Committee.
- 13.2. The Committee's membership shall comprise of:
- (a) three (3) representatives appointment by the City, with one (1) from the Accommodations Sector as a minimum;

- (b) the Legally Registered Organization on PEI, known as Tourism Summerside – one (1) Representative;
- (c) the Legally Registered Organization of PEI, known as Summerside Accommodations Group – one (1) Representative; and
- (d) one member of the Committee shall be appointed as Chairperson to organize meetings, agendas, minutes of meetings and act as a contact person.

13.3. Membership rules for the Committee are:

- (a) each representative shall be appointed for up to a two (2) year term;
- (b) A representative may be eligible for re-appointment;
- (c) A representative who is absent from three (3) consecutive Committee meetings without cause shall be deemed to have resigned;
- (d) In case of a vacancy occurring among representatives other than by expiry of their term, Council may appoint another person to complete the term;
- (e) A quorum for the Committee shall be two thirds (2/3) of the total membership; and
- (f) The Tourism Advisory Committee will be required to operate on the basis of consensus and support from 4 out of 5 Committee members will be required.

14. Repeal of bylaw

- 14.1. Bylaw Number SS-25 Tourism Accommodation Levy Bylaw is hereby repealed.

15. Effective Date

- 15.1. This Tourism Accommodation Levy Bylaw, Bylaw #CS-7, shall be effective on the date of approval and adoption by Council.

### First Reading

This Tourism Accommodation Levy Bylaw, Bylaw #CS-7, was read a first time at the Council meeting held on the 7<sup>th</sup> day of August, 2018.

This Tourism Accommodation Levy Bylaw, Bylaw #CS-7, was approved by a majority of Council members present at the Council meeting held on the 7<sup>th</sup> day of August, 2018.

### Second Reading

This Tourism Accommodation Levy Bylaw, Bylaw #CS-7, was read a second time at the Council meeting held on the 20<sup>th</sup> day of August, 2018.

This Tourism Accommodation Levy Bylaw, Bylaw #CS-7, was approved by a majority of Council members present at the Council meeting held on the 20<sup>th</sup> day of August, 2018.

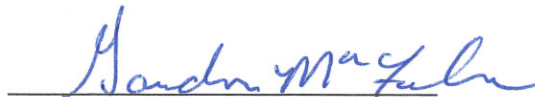
### Approval and Adoption by Council

This Tourism Accommodation Levy Bylaw, Bylaw #CS-7, was adopted by a majority of Council members present at the Council meeting held on the 20<sup>th</sup> day of August, 2018.

### Signatures

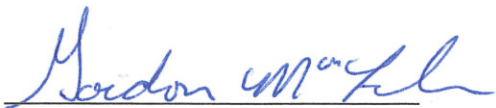


Bill Martin, Mayor



Gordon MacFarlane, Chief Administrative Officer (acting)

This Tourism Accommodation Levy Bylaw adopted by the Council of the City of Summerside on the 20<sup>th</sup> day of August, 2018 is certified to be a true copy.



Gordon MacFarlane, Chief Administrative Officer (acting)

Aug 22, 2018

Date