

## **PROPOSED**

# For owners - Municipal Accommodation Tax

### Important details:

- Implementation date of the Municipal Accommodation Tax (MAT) is July 1, 2018
- All guest invoices are to include a line for “Municipal Accommodation Tax” as of that date
- Remittances to the Corporation of the Town of Cochrane must be made through their defined process within 30 days of each quarter, specifically within 30 days of March 31, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup>.
- The four percent (4%) MAT applies only on the room cost portion of overnight accommodation of all guest invoices.
- Late remittances will be charged an interest rate of 1.25% per month, in accordance with regular Town of Cochrane interest rate for late charges

On November 23, 2017, the Province of Ontario issued the Transient Accommodation Regulation 435/17, which came into force December 1, 2017 and provides the necessary provisions for municipalities across Ontario to implement a Municipal Accommodation Tax (MAT).

As an eligible transient accommodator doing business and/or facilitating business transactions within the boundaries of the Town of Cochrane, you will be obliged by law to collect and remit a four percent (4%) Municipal Accommodation Tax (MAT) on all rooms sold for overnight accommodation. Revenues generated from other hotel services, including but not limited to such things as meeting room rentals, Food & Beverage, and room service, will be excluded from the MAT.

The MAT is applicable to all accommodations under 30 days at hotels, motels, individual accommodators using a common platform marketplace service, as well as other accommodators not included in the exemption list. This exemption list is included in the FAQ's document for owners and is based on exemptions provided under the provincial Regulation, as well as that approved by Council of the Corporation of the Town of Cochrane, and aimed at exempting traditional Bed & Breakfast operators from charging and remitting the MAT.

The Town of Cochrane will collect and administer the transition of the funds to the eligible tourism entities for the purposes of promoting and growing the tourism industry in Cochrane.

The remittance process will include a quarterly remittance form which is available on the town website and payments will be made through electronic money transfer or by cheque. Submissions and payment will be due within 30 days of the previous month.

Any late remittances will be charged an interest rate of 1.25% per month.

Should you have any questions, please feel free to contact the Town of Cochrane.