To: Mayor and Members of Council  

Subject: Municipal Accommodation Tax By-law  

Recommendation:

"THAT pursuant to the Manager of Economic and Strategic Initiatives' Report No. ECDEV-2019-21, a by-law to approve the establishment of a tax on the Purchase of Municipal Accommodation in the City of Belleville (Municipal Accommodation Tax – MAT) be prepared for Council’s consideration."

Strategic Plan Alignment:

The City of Belleville’s Strategic Plan identifies nine strategic themes. The recommendation in this report aligns with the "Tourism and Waterfront Revitalization" strategic theme to promote and support the development of attractions, events, facilities and services that will draw visitors to the community. It will also benefit the "Residential Development", "Culture and Recreation", and "City Centre Revitalization" themes by supporting the development of more business and tourism products in the City.

Background:

On March 11, 2019, pursuant to the Manager of Economic & Strategic Initiatives’ Report No. ECDEV-2019-05, Council approved the implementation of a 4% Municipal Accommodation Tax (MAT) for the City of Belleville to begin July 1, 2019, and that a Tourism Reserve Fund be established for the purposes of receiving and distributing the City of Belleville’s share of revenue from the Municipal Accommodation Tax. The approval also directed that Management be directed to bring back to Council a proposed by-law and agreement which details the distribution of the funding with the Destination Marketing Program (DMP) or Regional Marketing Board including information on how all accommodation stakeholders are represented and details regarding how the MAT funds will be used.

Analysis:

The authority to implement a Municipal Accommodation Tax enabled by Provincial legislative amendments to the Municipal Act. Regulation 435/17 provides that a municipality may, by way of by-law, impose a tax with respect to the purchase of transient accommodation. The Municipal Act, 2001 provides that the by-law may provide for the tax rate but does not specify the percentage or flat amount of the Municipal Accommodation Tax. Further to the Council
resolution on March 11, 2019, it is recommended that Council approve a by-law as included in Appendix A of this report to establish a 4% Municipal Accommodation Tax (MAT) program in the City of Belleville.

The Municipal Act 2001, also permits the by-law to provide for exemptions from the tax, penalties for failing to comply with the by-law, interest on the outstanding taxes or penalties, audit requirements, and enforcement measures as appropriate, for amounts remaining unpaid.

The recommended by-law is included in Appendix A. Key items in the by-law include:

- **Application** – A 4% Municipal Accommodation Tax (MAT) will be applied on the purchase price of Transient Accommodation in the City of Belleville.
- **Exemptions** – Parties that are exempt from the implementation of a MAT
- **Tax Collection Agent** – The tax collection agent shall be the City of Belleville.
- **Collection** – Providers of transient accommodation shall collect the MAT fees from the purchaser at the time of purchase and shall remit the collections, with a defined monthly statement, to the tax collection agent (City of Belleville).
- **Refunds** – The City shall issue a refund for an amount wrongly paid.
- **Interest, Fees and Liens** – Penalties and interest are applicable on outstanding MAT fees owing by providers of transient accommodation and may be transferred to the property owner’s property taxes.
- **Audit and Inspections** – Providers of transient accommodation are subject to audit by the City.
- **Offences and Penalties** – Every person who contravenes the MAT by-law is guilty of an offence.

**Financial:**
Based on estimates, the City is projecting an annual collection of a minimum of $900,000. This would project a $450,000 collection for 2019 based on the July 1, 2019 implementation date.

When it comes to the collection and allocation of funding, there are conditions prescribed in the regulation that determine how those funds can be spent:

- To be eligible to receive MAT revenue, a tourism entity must be a not-for-profit organization, whose mandate includes tourism promotion in Ontario or in a municipality (i.e. BQRMB).
- Revenue shared with an eligible tourism entity must be used for the exclusive purpose of promoting tourism. Tourism promotion can include the development of tourism products. The regulations also require a municipality and tourism entity to enter into an agreement that deals with reasonable financial accountability matters to ensure that amounts paid to the entity are used for the exclusive purpose of promoting tourism.

Staff have met with tourism partners being impacted by the implementation of MAT, including the Quinte Accommodations and Attraction Association (QAAA), Bay of Quinte Regional Marketing Board (BOQRMB) and local members of the short-term accommodation platform Airbnb.
Following a stakeholder meeting with membership from all three organizations, a letter was received from QAAA's legal representation outlining current membership, expected membership starting July 1, 2019 and intentions of the association moving forward as it relates to playing a greater role in the attraction of sporting tournament events. As this tax will be paid to the City of Belleville by Belleville accommodators, the process is underway to change the name QAAA to the Association of Belleville Accommodators (ABA). This correspondence also proposes how 50% of the funds not retained by the City would be shared if the City proposes an agreement with ABA. It suggests that 60% of their 50% received be retained by ABA to support sports tourism and increased administration costs, and that the remaining 40% they receive be distributed to the BQRMB. Currently, the City has a Memorandum of Understanding with the BQRMB which includes their mandate to conduct sports tourism attraction so some change to local mandates will be required before this issue can be debated.

Upon approval of the proposed MAT implementation By-law (attached), staff recommends moving forward with the collection of MAT funds starting July 1, 2019. It is also recommended that 100% of the funds collected be transferred to the Tourism Reserve Fund until such time as staff have completed negotiations related to sports tourism services and the distribution of MAT funds before final agreements between the City and these tourism entities are authorized. Staff propose to have these final agreements to Council for review and approval before the end of the summer, 2019. Three expenditure exceptions for the portion of the MAT funds to be retained by the City have been previously approved by Council. Those expenditures include funding for the development of a strategic plan for tourism/economic development, and tourism investment initiatives including downtown promotion, kiosk development and general tourism promotion for the City.

**Conclusion:**

It is recommended that Council proceed with the implementation of a 4% Municipal Accommodation Tax for the City of Belleville to begin July 1, 2019, and that the attached by-law (Appendix A) be approved, with respect to establishing a tax on the purchase of municipal accommodation in the City of Belleville, entitled "A By-law to Impose a Municipal Accommodation Tax", and that an agreement detailing the distribution of funding and how the MAT funds will be used by tourism entities be presented to Council at a later date.

Respectfully submitted,

Karen Poste
Manager, Economic & Strategic Initiatives.

**Attachments:**

1. Letter dated May 22, 2019 re: Quinte Accommodations and Attractions Association
May 22, 2019

Elisha Purchase  
Karen Poste  
Belleville City Hall  
169 Front Street  
Belleville, Ontario K8N 2Y8

Dear Madams:

RE: Quinte Accommodations and Attractions Association

I received your email yesterday as I was away last week, so the timeline is a bit tight but I am providing what I can at this time.

The current membership of QAAA includes:

Fairfield Suites by Marriott  
Best Western  
Townplace Suites  
Holiday Inn Express  
Comfort Inn (Associate Member)  
Travelodge (Associate Member)

The expected membership for the year starting July 1, 2019 will be all of the above plus:

Park Lane Motel  
Country Inn and Suites  
Travelers Inn  
Hampton Inn and Suites (coming – August 2019)  
Airbnbs

Membership has in the past also included hotels from Napanee, Trenton, and the County, but membership will not be open to them going forward.

As we discussed at the City meeting with AIRBNB representatives Tim McKinney and Tara Van Dijk present, Tim and Tara will work with you to identify the Belleville proper AIRBNBs, and will also do their own research through the various websites. They have scheduled an information meeting at the Belleville Club June 10, 2019 at 7 p.m. Myself and Karen Poste are
attending to provide information, and hopefully by then we will have all AIRBNBs/Bed and Breakfasts accounted for.

The main purpose of the meeting with you was to ensure they the City is agreeable to the changes we were going to make to the name and by-laws of the current QAAA. As this tax will be paid to the City of Belleville by Belleville accommodators, we will be changing the name to the Association of Belleville Accommodators (ABA). This name change filing and approval by the government could take up to two months, so we asked that you advise your legal advisors who are drafting the Agreement that it will likely be entered into as QAAA but should reference the change.

The second change was to the Board and membership. Currently only the hotels collecting the voluntary fee form members of the Board and there are three sitting members of the Board at this time. The general membership also includes two other hotels. Under the new by-laws, the Board will have five members. Three members will be from Belleville hotels/motels, one will be an AIRBNB rep, and one will be an at-large Board member, which could include anyone from an associated tourism industry. We have a proposed Board for this year starting July 2019 (our by-laws will also adjust our year end to match yours) that the current QAAA Board will vote in; after that it will be an open vote to the new members. To avoid any one organization holding a majority of seats, one current member of the Board will give up their position which will be filled by Blair Gamble.

From our conversation, the City is expecting to collect at least $900,000.00 in the first year, beginning July 1, 2019. There may be some some issues with collecting in the first year. We also expect your administration costs to be higher this year and would expect the legal, accounting, and staff fees to set up the initial collection process will come out of the $900,000.00. As such, the new ABA is preparing a budget based on revenue of $400,000.00. It is ABA’s intention to hire a staff member that will be responsible for communications with the members and budgeting and reporting requirements for the City. That staff member will also play a role in the administration of funds used and in attracting and securing events for the City. As discussed, ABA will play more of a role in the sports and tournament type events, which will free up the Bay of Quinte Regional Marketing Board from doing so. This has already been discussed with BQRMB, and the AIRBNB reps have indicated that they would appreciate a focus on attracting winter events, which is when they are not operating at full capacity. It was clear from the meeting that the City expect us not to be overlapping on our work, and we will try to establish what roles each partner should be playing in the next month. The QAAA and BQRMB currently operate under an MOU that will be updated to ensure the adoption of an integrated strategy that avoids duplication of efforts and spending.

The budget for the new ABA will not be prepared for a few weeks. BQRMB has received varied funds from QAAA over the years, but in the last few years, generally around 50%. With the additional staffing and reporting requirements, the ABA budget will reserve funds off for accounting, legal, the staff member and reporting requirements. For the first year this will be 20%. The budgeted amount for BQRMB will likely be 40% ($160,000.00), which takes into account those overhead costs. Additional funds will be set aside for special funding, by
application. The balance will be used for work similar to that undertaken by QAAA in the past, including golf packages, B Sens packages, sports events, etc.

As far as a revenue audit, ABA won’t have any power to audit any of its members as they are not the collecting agent. It will provide the City with an annual audit of its members.

Yours very truly,

O'FLYNN WEESE LLP
Per:

ANYA-DEANE BEST, LL.B, LL.M
ADB/cg
THE CORPORATION OF THE CITY OF BELLEVILLE

BY-LAW NUMBER 2019-

A by-law to establish the Municipal Accommodation Tax

WHEREAS section 400.1 of the Municipal Act 2001, S.O. 2001 c. 25 (the “Act”) provides that Council of a local municipality may pass by-laws imposing a tax in respect of the purchase of transient accommodation within the municipality;

AND WHEREAS pursuant to section 400.1 of the Act and Ontario Regulation 435/17, the Council of The Corporation of the City of Belleville wishes to establish a tax rate and to levy the tax on the purchase of transient accommodation within the City of Belleville;

AND WHEREAS pursuant to section 400.1(3) and 400.4 of the Act, Council can establish such enforcement measures as Council considers appropriate if an amount assessed for outstanding tax, penalties or interest remains unpaid after it is due;

AND WHEREAS Council wishes to add the arrears of the interest and penalties to the tax roll for the properties in the City of Belleville registered in the name of the Provider to be collected in a manner as property taxes and such arrears shall constitute a lien upon the lands, but pursuant to section 400.4(2) of the Act, such lien shall not be a priority lien for the purposes of subsections 1 (2.1), (2.2) (3) of the Act and such lien will not have a higher priority than it would otherwise have in law in relation to other claims, liens or encumbrances;

NOW THEREFORE, COUNCIL OF THE CORPORATION OF THE CITY OF BELLEVILLE ENACTS AS FOLLOWS:

Terminology

1. For the purpose of this By-law:

"Accommodation" means the use or possession or the right to use or possess, for dwelling, lodging or sleeping purposes, a room or suite of rooms containing one or more beds or cots, whether in a hotel, motel, motor hotel, lodge, inn, resort, bed and breakfast or other establishment providing lodging, or in all or part of a dwelling unit and whether or not additional amenities, services or the right to use additional space in the establishment or dwelling unit are provided where such rights are acquired for a Purchase Price;
“City” means the geographic area of the City of Belleville or the municipal corporation as the context requires;

“Council” means the Council of The Corporation of the City of Belleville;

“Establishment Information Sheet” means the form established by the Treasurer and filed in accordance with section 9, to provide information about an establishment which provides Accommodation;

“MAT Remittance Report” means the form established by the Treasurer for reporting MAT collected and to be paid to the City of a reporting period, in accordance with section 9;

“MFIPPA” means Municipal Freedom and Information and Protection of Privacy Act, R.S.O. 1990, c.M.56 as amended and as may be further amended from time to time;

“Municipal Accommodation Tax” or “MAT” means the tax imposed under this By-law and where applicable, includes MAT assessed by the Treasurer;

“Person” includes an individual, a sole proprietorship, an unincorporated association, a partnership, a trust and a corporation;

“Provider” means a Person that sells, offers for sale, or otherwise provides Accommodation, and includes agents, hosts or others who sell or offer for sale by any means, including through an on-line platform or otherwise to provide Accommodation;

“Purchaser” means a Person who, for a Purchase Price, uses, possesses or has the right to use or possess any Accommodation;

“Purchase Price” means the price for which Accommodation is purchased, and where applicable, any other consideration accepted by the Provider in return for the Accommodation and includes all fees and charges for additional occupants, for provision of additional beds or cots, and unless separately itemized on the invoice, bill or similar document, all fees and surcharges for ancillary services including food, beverages, entertainment, internet usage, telephone usage and similar charges. Purchase Price does not include the harmonized sales tax imposed by the Government of Canada or by the Province of Ontario or any replacement tax therefor;

“Treasurer” means the person appointed by Council from time to time as the Treasurer for the City and includes his or her authorized designate; and

“User Fee By-law” means the City of Belleville’s Rates and Fees Guidelines as amended or replaced from time to time;
Interpretation

2.

1) Whenever this By-law refers to a person or thing with reference to a gender or the gender neutral, the intention is to read the By-law with the gender applicable to the circumstances.

2) References to items in the plural include the singular, as applicable.

3) The words "include", "including" and includes" are not to be read as limiting the phrases or descriptions that precede them. Any examples provided are intended to be representative examples and not intended to be an exhaustive list.

4) Headings are inserted for ease of reference only and are not used as interpretation aids.

5) Specific references to legislation in the By-law are printed in italic font and are meant to refer to current legislation applicable within the Province of Ontario as at the time the By-law was enacted, or as they may be amended, restated or replaced from time to time.

6) Where the last day of a period of time, referenced in the By-law as a number of days, falls on a Saturday, Sunday or statutory or civic holiday, the day or last day as the case may be shall be deemed to be the next following business day.

7) The obligations imposed by this By-law are in addition to obligations otherwise imposed by law or contract.

8) Terms with capitals shall be read with the meaning in section 1, and other words shall be given their ordinary meaning.

Severability / Conflict

3.

1) If any section, subsection, part or parts of this By-law is declared by any court of law to be bad, illegal or ultra vires, such section, subsection, part or parts shall be deemed to be severable and all parts hereof are declared to be separate and independent and enacted as such.

2) Nothing in this By-law relieves any person from complying with any provision of any federal or provincial legislation or any other By-law of the City.
Administration / Delegation

4.

1) The Treasurer is hereby delegated the authority to implement and administer this By-law, to collect the MAT and to take all actions and make all decisions required of the Treasurer under this By-law. Without limiting the generality of the foregoing, the Treasurer is delegated the authority to:

   a. Establish and amend from time to time, such interpretation guidelines, protocols, procedures, forms, documents and agreements, as the Treasurer may determine are required to implement and administer this By-law and to collect the MAT;

   b. Perform all administrative functions and conduct all enquiries, audits, assessments and approvals referred to herein and those incidental to and necessary for the due administration and enforcement of this By-law and collection of monies owing hereunder and to authorize refunds in accordance with this By-law;

   c. All external costs associated with the audits, assessments, approvals and enquiries related to this By-law, or any other related agreement will be funded from MAT tax revenue.

   d. Authorize, establish terms and sign any repayment agreements provided for herein and any ancillary or related documents, and to amend, extend or terminate or otherwise administer or enforce such agreements; and

   e. Carry out all duties as assigned to the Treasurer under this By-law.

2) The Treasurer may delegate the performance of any one or more of his or her functions under this By-law to one or more persons from time to time as the occasion requires and may impose conditions upon such delegation and may revoke any such delegation. The Treasurer may continue to exercise any function delegated during the delegation.

3) Except as expressly provided to the contrary in this By-law, the decisions of the Treasurer are final.

MAT Imposed

5.

1) Except as provided in section 6, every Purchaser shall, at the time of paying for Accommodation, pay to the Provider the Municipal Accommodation Tax in the amount of four (4%) per cent of the Purchase Price of any Accommodation provided to the Purchaser for a continuous period of less than 30 days.
2) For greater certainty, the continuous period referred to in subsection 5(1) is not disrupted by the purchase of different rooms, suites, beds or other Accommodation by the same Purchaser from the same Provider in the course of the continuous period.

3) Notwithstanding subsection 5(1), MAT shall only apply to Accommodations commencing on or after July 1, 2019 and shall not apply to any Accommodation commencing prior to July 1, 2019 even if the Accommodation extends to or past July 1, 2019.

Exemptions

6. The following are exempt from charging the Municipal Accommodation under this By-law:

a. The Crown, any agency of the Crown in right of Ontario or any authority, board, commission, corporation, office or organization of persons a majority of whose directors, members or officers are appointed or chosen by or under the authority of the Lieutenant Governor in Council or a member of the Executive Council;

b. Any board as defined in subsection 1(1) of the Education Act;

c. Any university in Ontario or any college of applied arts and technology and post-secondary institution in Ontario whether or not affiliated with a university, the enrollments of which are counted for purposes of calculating operating grants entitlements from the Crown;

d. Any hospital referred to in the list of hospitals and their grades and classifications maintained by the Minister of Health and Long-Term Care under the Public Hospitals Act and every private hospital operated under the authority of a license issued under the Private Hospitals Act and upon proclamation of the Lieutenant Governor of the amendment to paragraph 4 of subsection 400.2 of the Municipal Act, 2001, to any community health facility within the meaning of the Oversight of Health Facilities and Devices Act 2017 that was formerly licensed under the Private Hospitals Act;

e. Any long-term care home as defined in subsection 2(1) of the Long Term Care Home Act;

f. Any retirement home as defined in the Retirement Home Act, 2010;

g. Any home for special care within the meaning of the Homes for Special Care Act;

h. Any non-profit hospice occupying land for which there is an exemption from taxation determined in accordance with section 23.1 of Ontario Regulation 282/98 made under the Assessment Act;
i. Any Person or entity as prescribed by regulation under the *Municipal Act, 2001* as exempt from payment of Municipal Accommodation Tax;

j. Any treatment centre that receives provincial aid under the *Ministry of Community and Social Services Act*;

k. A house of refuge or lodging for the reformation of offenders;

l. A shelter or emergency shelter operated by a charitable or not-for-profit corporation or by the City or its contractors or agents, for the relief of the poor; or for the benefit of persons who are fleeing situations of physical, financial, emotional or psychological abuse; or for other persons who are suffering from homelessness;

m. A tent site or a trailer site;

n. Premises operated by an employer which is provided to its employees; or

o. Premises owned or operated by the City of Belleville.

**Invoice to Purchaser**

7. Every Provider shall include on every bill, receipt, invoice or similar document for the purchase of Accommodation, a separate item identified as Municipal Accommodation Tax showing the rate at which the MAT is calculated and the amount of the MAT imposed and collected.

**Duty to Collect**

8. Every Provider shall collect the MAT from the Purchaser at the time the Purchase Price is paid.

**Duty to Report / Duty to Remit**

9.

1) Every Provider shall file an Establishment Information Report with the City annually, on a date established by the Treasurer.

2) Except as provided to the contrary in subsection 9(3) every Provider shall:

   a. On or before the 15th day of each month, file a MAT Remittance Report with the City, setting out the MAT required to be charged and collected in the prior month and pay to the City the amount identified in the MAT Remittance Report.
3) The Provider shall ensure that the MAT Remittance Reports required under subsection 9(2) or 9(3) are:

a. In the form established by the Treasurer from time to time;

b. Filed with the City in the manner established by the Treasurer from time to time;

c. Filed with the City within the timelines established in this By-law;

d. Fully completed when submitted; and

e. Signed by an authorized officer to confirm the accuracy of the report.

4) Every Provider shall file a MAT Remittance Report with the City for a reporting period whether or not any MAT was collected during the reporting period.

Assessment – Failure to File Remittance Report or to Pay

10.

1) Where a Provider has filed a MAT Remittance Report but failed to pay all or part of the MAT owing to the City, the Treasurer may assess the amount of MAT payable to the City based in the MAT Remittance Report.

2) Where a Provider has failed to file a MAT Remittance Report, the Treasurer may assess the amount of MAT payable to the City by multiplying the MAT rate of 4% by the total of:

   a. The average daily Purchase Price for Accommodations for the prior year, as disclosed in the Establishment Information Sheet filed by the Provider, or where this is not available, as determined by or estimated by the Treasurer; multiplied by

   b. The number of Accommodations the Provider has available for purchase as disclosed in the Establishment Information Sheet filed by the Provider, or where this is not available, as determined by or estimated by the Treasurer; multiplied by

   c. The number of days in the period assessed by the Treasurer.

3) The Treasurer shall mail an invoice to the Provider setting out the amount of MAT assessed by the Treasurer under subsection 10 (1) or 10 (2), as payable by the Provider, and in the case of an invoice related to an amount assessed under subsection 10 (2) advise the Provider of the rights to re-assessment under subsection 10(4). The Provider shall
pay the assessed amount to the City within X days from the date of the invoice whether or not the assessed amount was actually collected by the Provider and whether or not the assessment reflects the amount of MAT actually payable.

4) Despite subsection 10 (3) where the Treasurer has assessed MAT in accordance with subsection 10 (2), the Provider may, within two months of the date of the invoice sent pursuant to subsection 19(3), apply to the Treasurer in writing for a re-assessment of the MAT owing to the City for the assessed period. No request for a re-assessment will be considered by the Treasurer unless the Provider also:

   a. Submits or has submitted a completed MAT Remittance Report for the period to which the assessment applied;

   b. Pays or has paid the amount of the MAT assessed by the Treasurer, in accordance with subsection 10 (2) and set out in the invoice sent in accordance with subsection 10 (3);

   c. Pays or has paid any applicable interest or penalties on the amount of MAT assessed by the Treasurer under subsection 13 (1).

5) Upon a re-assessment by the Treasurer based on the MAT Remittance Report for the period, the Treasurer shall adjust the City records if necessary, to reflect the re-assessment of the MAT and of any interest or penalties thereon.

6) In the event that the re-assessment by the Treasurer reveals an overpayment by the Provider, the Treasurer will notify the Provider in writing. At the discretion of the Treasurer, the Treasurer will provide: a refund of the amount overpaid, a credit against future obligations to pay MAT; or a credit against any debt then owing to the City by the Provider, whether or not related to MAT. No interest shall be paid on the amount of the overpayment.

7) Where a Provider who is entitled to do so, fails to apply for a re-assessment in accordance with subsection 10 (4), the amount assessed by the Treasurer in accordance with subsection 10 (2) shall be final, except as may be determined to the contrary by way of audit.

Audit and Inspection

11.

1) Every Provider shall keep books of account, records and documents sufficient to furnish the City or its agent with the necessary particulars as of point in time, to verify the accuracy and completeness of the amount of MAT collected and paid to the City.
2) Every Provider shall retain such books of account, records and documents required under subsection 11 (1), for a period of time of no less than 3 years.

3) Any Person authorized by the City for any purpose related to the administration or enforcement of the By-law may at any reasonable time enter into any premises or place where business of a Provider is carried on or any property is kept or where anything else is done in connection with the business of a Provider or where any books of account, records and documents are required under subsection 11 (1) are or should be kept and:

a. Audit or examine the books and records and any account, voucher, letter, facsimile, electronic or other document that relates or may relate to the information that is or should be in the books of account or to an amount payable under this By-law; and

b. Require a Provider who may be liable to pay MAT under this By-law or an officer, director, agent or representative of that person or any person on the premises to:

   i. Give him or her all reasonable assistance with his or her audit or examination;

   ii. Answer all questions relating to the audit or examination either orally or, if he or she requires, in writing, on oath or by statutory declaration; and

   iii. Attend at the premises or place with him or her for the purposes of giving reasonable assistance and answering questions relating to the audit or examination.

4) Every Provider shall co-operate with the City or its agent in the conduct of an inspection or audit under subsection 11 (3) and cause its employees, agents, and contractors to comply as required.

5) The Treasurer may for any purposes relating to the administration or enforcement of this By-law serve on any Provider personally, by mail or courier service, a written demand for information and the production on oath or otherwise of books, records and documents as the Treasurer or any person authorized by the City to make the demand, considers necessary to determine compliance with the By-law.

6) Every Provider served with a demand under subsection 11 (5) shall comply with the demand within the time specified in the demand.
Adjustment by Treasurer – Result of Audit

12.

1) Where the Treasurer determines as a result of audit of the Provider’s records that MAT which accrued within a period of two years prior to the date of the audit, was not reported and paid by that Provider in accordance with this By-law, the Treasurer may make a determination of the amount of MAT properly payable for that period, adjust the City records appropriately to reflect the adjustment, and:

   a. Notify the Provider in writing:

      i. Of the period for which MAT was adjusted;

      ii. Of the basis for the adjustment;

      iii. Of the amount of MAT actually paid and the amount payable for the period of adjustment;

      iv. Of the amount now owing to the City or overpaid to the City; and

      v. Where applicable, that payment of any amount owing to the City is due within 15 days of the date of the notice;

   b. In the event that an audit reveals an overpayment, the Treasurer, in his or her discretion may provide: a) a refund of the amount of MAT overpaid; b) a credit against future obligations to pay MAT; or c) a credit against any debt then owing to the City by the Provider, whether or not related to MAT. No interest shall be paid on the amount of the overpayment.

2) In the event the Treasurer establishes that a Provider has made a misrepresentation that is attributable to willful default or has committed a fraud in supplying any information underthis By-law, the Treasurer’s rights to adjust the MAT is not restricted to a two year period, despite subsection 12 (1).

Interest / Penalty

13.

1) Interest at the rate set out in the Rates and Fees Guideline as the rate payable on overdue amounts owing to the City, shall be charged on the amount of any MAT owing to the City under this By-law including any MAT assessed under section 10 or adjusted under subsection 12
(1), from the day following the date on which the MAT was due and payable up to and including the date on which the MAT is paid in full.

2) Where the amount of any MAT owing to the City is determined in accordance with section 10 (3), interest shall start to accrue fifteen (15) days from the date of the invoice.

3) The Provider shall pay any fee or charge established in accordance with the Rates and Fees Guideline for any late filings, dishonoured payments or other matters.

Application for Refund

14.

1) A Provider who has paid an amount as MAT which was not payable under this By-law and not addressed through a re-assessment in accordance with subsection 10 (4) or through an adjustment in accordance with section 12, may, within two years of the date the amount may have been overpaid, apply in writing to the Treasurer to review the applicant for a refund and where a form has been established by the Treasurer, shall use the prescribed form. The onus of proof shall be on the Provider, who shall provide to the Treasurer such information as the Provider intends to reply on in support of the application. No application for a refund will be accepted if the applicant is not current in filing of MAT Remittance Reports.

2) The Treasurer shall review the application, the supporting material provided by the applicant and any other information available to the Treasurer, make a determination of whether all or part of an amount of MAT was wrongly paid, and notify the applicant of his or her decision in writing.

3) Where, as a result of the review in subsection 14 (2), the Treasurer is satisfied:

a. There has been an overpayment of MAT, the Treasurer will notify the Provider and in his or her discretion may: a) refund the overpaid amount, b) provide a credit against future obligations to pay MAT; or c) provide a credit against any debt then owing to the City by the Provider, whether or not related to MAT. No interest shall be paid on the amount of the overpayment; or

b. Where the Treasurer decides that no overpayment has been made, the Treasurer shall notify the Provider of the decision in writing and shall provide particulars for disallowing all or part of the refund claimed.

4) Any refund authorized under subsection 14 (3) shall be limited to the
amount overpaid by the Provider during the two-year period prior to the date of the application and while the Provider owned the establishment which provided the accommodation.

Collection

15.  
1) All MAT, including MAT assessed under section 10 or adjusted under section 12 and related penalties and interest that are past due shall be deemed to be in arrears and a debt owing to the City. The Treasurer is authorized to take such steps as are available to the City to collect any such amount including without limitation:
   a. Adding the amount to the tax roll for any real property in the City registered in the name of the Provider to be collected in a manner as property taxes;
   b. Bringing an action in the name of the City for the recovery of the amount in the court of appropriate jurisdiction;
   c. Referring the collection of the amount to a collection agency; and
   d. Exercising any other remedy available pursuant to the Municipal Act, 2001 or otherwise available at law.

2) The remedies provided for the recovery and enforcement of the payment of any amount required under this By-law are in addition to any other remedies existing at law.

Repayment

16.  
1) Where the Treasurer, in his or her discretion, determines that it is in the best interests of the City to do so, the Treasurer is authorized to enter into a repayment arrangement with any Provider, providing for terms of payment of any MAT and interest and penalties thereon, which were not paid in accordance with this By-law, on such terms as may be established by the Treasurer. While the repayment agreement is in good standing no further collection efforts shall be taken, despite section 15. The Treasurer is not obligated to authorize a repayment agreement.

2) The repayment agreement shall terminate automatically upon breach of any provision thereof by the Provider.

3) Interest shall continue to accrue on the amount of MAT outstanding during the term of the repayment agreement.
False Statement

17. No Person shall:

a. Make false, inaccurate or intentionally misleading statement or representation in any document, statement or request provided for this By-law; or

b. File a document, statement or request provided for in this By-law where such Persons knows or should know it contains a false, inaccurate or intentionally misleading statement or representation, whether or not such statement or representation was made by the Person filing the document or application.

No Interference

18. No Person shall hinder, obstruct or attempt to hinder or obstruct any Person exercising a power of performing a duty under the By-law.

Offence

19.

1) Every Provider who contravenes any of the provisions of this By-law and any director or officer of a corporation who knowingly concurs in such contravention is guilty of an offence and on conviction is liable to a fine as provided for in this By-Law.

2) For the purposes of subsection 19 (1), each day on which a person contravenes any of the provisions of this By-law shall be deemed to constitute a separate offence under this By-law.

3) A Provider who is convicted of an offence under this By-law is liable, for each day or part of a day that the offence continues, to a minimum fine of $500.00 and a maximum fine of $10,000.00 and the total of all daily fines for the offence is not limited to $100,000.00 as provided in subsection 429 (3)2 of the Municipal Act, 2001.

4) The levying and payment of any fines as provided for under the Municipal Act, 2001 and does not relieve a person from the necessity of compliance with the obligations under the By-law or from the obligation for payment of the MAT or any interest or penalty imposed by section 13 of the By-law or such other penalties as may be provided for under the Municipal Act, 2001 as amended or replaced.

Enforcement
20. This By-law may be enforced by any Municipal By-law Enforcement Officer or by a police officer as defined in the Police Services Act, as amended.

Confidential Information

21.

1) All information submitted to and collected by the City pursuant to this By-Law, may, except as otherwise provided in this section, be available to disclosure to the public in accordance with MFIPPA.

2) In the event that any Provider in submitting to the City or to the Treasurer in any form, as required under this By-law, any information is confidential or proprietary or otherwise may be exempt from disclosure under the MFIPPA, the Provider submitting the information shall so identify that information upon its submission to the City or the Treasurer and shall provide sufficient details as to the reason for its purported exemption from disclosure. Where there is an exemption from disclosure under MFIPPA with respect to information submitted by a Provider, the City will attempt to claim such exemption.

Short Title

22. The By-law may be referred to as the “Municipal Accommodation Tax By-law”.

Effective

23. This By-law shall come into full force and effect upon July 1, 2019.

PASSED this X day of June, 2019

Mitch Panciuk Mayor Matt MacDonald City Clerk