

final

TOWN OF WATSON LAKE

BY-LAW 18-11

BEING A BY-LAW of the Town of Watson Lake to impose a levy on accommodations of short duration in order to generate revenue to support tourism venues and events and/or support capital projects approved by the Town of Watson Lake that will encourage tourism to the Town of Watson Lake, to be known as the "Accommodation Levy By-law."

WHEREAS Section 265 of the Municipal Act ("the Act") enables Council by-laws imposing such forms of levies as it deems advisable within the municipality including, without restricting the generality of the foregoing, levies on persons who purchase overnight hotel and motel accommodation; and,

WHEREAS a levy on accommodations of short duration within the Town of Watson Lake is intended to generate revenue to support tourism venues and events and/or support capital projects approved by the Town of Watson Lake that will encourage tourism to the Town of Watson Lake and enhance the experience of tourists while they visit Watson Lake.

NOW THEREFORE the Council of The Town of Watson Lake, in open session, duly assembled, enacts as follows:

1. SHORT TITLE

This by-law may be referred to as the Accommodation Levy By-law.

2. DEFINITIONS

- (a) "ACCOMMODATION" means use of overnight lodging that is provided for consideration, whether or not the lodging is actually used.
- (b) "ACCOMMODATION LEVY" means the levy imposed by Section 3 of this by-law.
- (c) "BED AND BREAKFAST" means an accessory use of an owner-occupied residence in which temporary overnight accommodation is provided to tourists and visitors.
- (d) "CAMPGROUND" means an area of land, managed as a unit, providing short-term accommodation for tents, tent trailers, travel trailers, recreational vehicles and campers, excluding camps sponsored by non-profit organisations and government run campgrounds.
- (e) "CHIEF ADMINISTRATIVE OFFICER (CAO)" means the appointed administrative head of the municipality.
- (f) "COUNCIL" means the Council of the Town of Watson Lake.
- (g) "ESTABLISHMENT" means a business that provides accommodation at a particular location.
- (h) "LEVY" means an amount of money that must be paid and that is collected by a government.
- (i) "LODGING" includes a fee paid for:
 - (i) the use of a bedroom, a suite of rooms containing a bedroom, or the use of a bed within a bedroom; and
 - (ii) the use of one or more additional beds or cots in a bedroom or suite.
- (j) "MOTEL/HOTEL" includes an inn, housekeeping unit, lodging house, boarding house, rooming house, resort, hostel, dormitory or any place in which accommodation is provided.
- (k) "MUNICIPALITY" means the Town of Watson Lake and any employee of the Town appointed by the CAO to administer or enforce all or part of this by-law.
- (l) "OPERATOR" means a person who sells, offers for sale, or otherwise provides accommodation.
- (m) "PURCHASER" means a person who purchases accommodation.
- (n) "TOWN" means the Town of Watson Lake.

3. APPLICATION OF LEVY

3.1 Subject to this section, a purchaser must, at the time of purchasing accommodation, pay an accommodation levy in the amount of 3% for the calendar year of 2020, 4% for the calendar year of 2021, and 5% thereafter of the room rate before taxes for each night of accommodation provided for a continuous period of 30 nights or less whether provided in a hotel, motel, or inn in which accommodation is provided.

3.2 For greater certainty, the continuous period referred to in subsection 3.1 is not disrupted by the purchase of different rooms, suites, beds or other lodging in the same establishment in the course of the continuous period.

3.3 The accommodation levy imposed by subsection 3.1 does not apply to:

- (a) a residence or accommodation supplied to patients and/or family of patients while attending medical care and treatment;
- (b) accommodation supplied by employers to their employees in premises owned and/or operated by or on behalf of the employer;
- (c) a hospitality room in an establishment that
 - (i) does not contain a bed;
 - (ii) is not a suite that contains a bed; and
 - (iii) is used for displaying merchandise, holding meetings, or entertaining;

4. LEVY COLLECTED BY OPERATOR

4.1 An operator must, as an agent for the municipality, collect the accommodation levy from the purchaser at the time the accommodation is purchased.

4.2 The amount of the accommodation levy shall be shown as a levy by the Town of Watson Lake, and must be shown as a separate item or charge on a bill, receipt, invoice or similar document issued by the operator in respect of accommodation on which the levy is imposed.

5. LEVY REMITTED AND STATEMENT SUBMITTED BY OPERATOR MONTHLY

5.1 An operator must remit to the municipality quarterly for each establishment the operator operates, the amount of the accommodation levy that was collected by the operator during that period, and the form provided by the municipality, which must contain information reasonably required by the municipality to administer or enforce this by-law including:

- (a) the total number of nights of accommodation sold by the establishment during the month period;
- (b) the total number of nights of accommodations during the month period that is not subject to the accommodation levy;
- (c) the total number of nights of accommodations during the month period that is subject to the accommodation levy;
- (d) the total accommodation levy collected; and
- (e) the total accommodation levy remitted.

5.2 Unless otherwise permitted by the municipality, the obligation to provide a statement applies even when no levies have been collected.

5.3 The obligation under subsection 5.1 to remit the levies and to submit a statement must be met no later than the 20th day of the month following the period in which the levies were payable and for which the statement is applicable.

6. REFUNDS

6.1 The municipality shall refund to a purchaser all or a portion of an amount that was paid for the accommodation levy (excluding any applicable GST) for any levies that were charged incorrectly. If the purchaser applies for a refund within one year of the payment of the levy and provides evidence that:

- (a) the amount was paid notwithstanding that it was not payable as an accommodation levy; and
- (b) the amount was remitted to the municipality by the operator.

7. USE OF ACCOMMODATION LEVY FUNDS

7.1 The net proceeds from the Accommodation Levy shall be defined as the gross revenue received from said levy less any refunds and any administrative costs of the Town.

8. INSPECTION, AUDIT AND COLLECTION

8.1 The CAO or his designate may for the purpose of enforcing this by-law, enter any establishment to:

- (a) collect the levy imposed by this by-law, if necessary;
- (b) audit the books, records and accounts of the operator for the purpose of ascertaining the amount of levy to be collected and remitted;
- (c) require the operator to produce for inspection any book, contract, agreement, letter, paper or document relating to the establishment, the accommodation provided, or any other matter relating to this by-law; and
- (d) make and remove any copies of any documents or records required in the administration of this by-law.

9. ADDRESS FOR SERVICE

9.1 Where an address for service under this by-law is required, one of the following shall be used:

- (a) if the person to be served is an operator, the street address of the establishment of which he or she is the operator;
- (b) if the person to be served is not an operator, the address provided by that person in communication with the Town.

10. INTEREST PENALTIES

10.1 A penalty equivalent to the product of 5.0%, of all unremitted levies shall be applied to levies imposed by Section 3 that are required to be remitted by subsection 5.1 but have not be remitted by the date specified in subsection 5.3.

10.2 Additional penalties will be imposed at a rate of 1.25% per month on the 1st day of each succeeding month on all unremitted levies which remain unremitted for more than one month.

11. OTHER PENALTIES

11.1 Every person who fails to comply with the provisions of this by-law is guilty of an offence and, in addition to being liable for payment of the penalty imposed by Section 10, is liable on summary conviction,

- (a) for failing to collect or remit the levy, to a fine that is not less than double the amount of the levy that should have been collected and remitted to the Town of Watson Lake;
- (b) for failing to comply with other provisions of this by-law,
 - (i) if an individual, to a fine not exceeding one thousand dollars (\$1,000.00);
 - (ii) if a corporation, to a fine not exceeding five thousand dollars (\$5,000.00).

12. BY-LAW REVIEW

12.1 The Town's Administration shall prepare an annual report for review by Council including, but not limited to:

- (a) the balance of the Operational Reserve Fund at the beginning of the fiscal year;
- (b) the total amount of accommodation levies collected for the year;
- (c) a recommendation on whether to decrease, maintain or increase the existing accommodation levy.

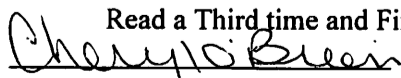
13. COMING INTO FORCE

13.1 This By-law shall come into full force and take effect on January 1st, 2020.

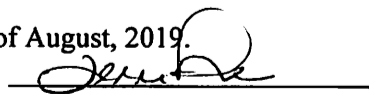
Read a First time this 21st day of August, 2018.

Read a Second time this 16th day of July, 2019.

Read a Third time and Finally passed time this 20th day of August, 2019.



Cheryl O'Brien, Mayor



Terri Close, Municipal Clerk