

The Corporation of the Municipality of Northern Bruce Peninsula

By-Law No. 2024-23

Being a By-law to Impose a Transient Municipal Accommodation Tax Within the Municipality of Northern Bruce Peninsula.

WHEREAS section 400.1 of the Municipal Act, 2001, S.O 2001, c.25, provides that the 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 Municipal Act, 2001 and the Ontario Regulation 435/17, the Council of the Corporation of the Municipality of Northern Bruce Peninsula wishes to establish and levy the tax rate on the purchase of transient accommodation within the Municipality of Northern Bruce Peninsula; and

WHEREAS Council has authorized the establishment of a municipal accommodation tax on all transient accommodation rentals less than 30 days within the Municipality of Northern Bruce Peninsula.

NOW THEREFORE THE COUNCIL OF THE CORPORATION OF THE MUNICIPALITY OF NORTHERN BRUCE PENINSULA HEREBY ENACTS AS FOLLOWS:

1. DEFINITIONS

"Accommodation" means hotels, motels, motor hotels, lodges, cabins, inns, resorts, bed and breakfast establishments, space provided through third party rental booking platforms, cottages or other establishments providing transient lodging in all, or part of a dwelling are required to collect and remit the Municipal Accommodation Tax on accommodations of thirty days or less.

"Council" means the Council of the Corporation of the Municipality of Northern Bruce Peninsula.

"Establishment" means the physical location, a building, as defined by the Building Code Act, 1992, SO 1992, c 23, as amended or any successor legislation, or part of a building that provides Accommodation.

"Lodging" includes:

- (a) the use of a bedroom, a suite of rooms containing a bedroom, or the use of a bed within a bedroom.
- (b) the use of one or more additional beds or cots in a bedroom or suite.

"Municipality" means The Corporation of the Municipality of Northern Bruce Peninsula.

"Municipal Accommodation Tax or MAT" means the tax imposed under this By-law.

"Provider" means a person or an entity that sells, offers for sale, or otherwise, provides Accommodation, and includes agents, hosts, or others who sell, offers for sale, or otherwise provides Accommodation.

"Purchaser" means a person who purchases Accommodation.

"Purchase Price" means the price for which Accommodation is purchased, including the price paid, and/or other consideration accepted by the Provider in return for the Accommodation provided, but does not include the goods and services tax imposed by the Government of Canada or by the Province of Ontario.

“Short-Term Rental Accommodation” means lodging in a short-term rental for a period less than 30 consecutive days.

"Treasurer" means the person appointed by Council from time to time as the Treasurer for the Municipality and includes his or her authorized designate.

2. EXEMPTIONS

- 2.1** The Municipal Accommodation Tax imposed under this By-law does not apply to:
- (a) The Crown, every agency of the Crown in right of Ontario and every authority, board, commission, corporation, office, or organization of persons whose 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) Every board as defined in subsection 1(1) of the Education Act.
 - (c) Every university in Ontario and every college of applied arts and technology and post-secondary institution in Ontario, whether or not affiliated with a university, the enrolments of which are counted for purposes of calculating annual operating grants entitlements from the Crown.
 - (d) Every 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.
 - (e) Every long-term care home as defined in subsection 2 (1) of the Long-Term Care Homes Act, 2007 and hospices.
 - (f) A tent site, trailer site, or cabin supplied by a campground, tourist camp or trailer park.
 - (g) A boat slip in the marinas (Transient Wharfage).
 - (h) Every hospitality room in an establishment that does not contain a bed and is used for display merchandise, holding meetings, holding hearings, or entertaining.
 - (i) Every charitable, non-profit philanthropic corporation organized as shelters for the relief of the poor or for emergency
 - (j) Employers to their employees in premises operated by the employer; and
 - (k) Such other persons and entities as may be prescribed.

3. APPLICATION OF TAX

Short Term Accommodation

- 3.1** A Purchaser shall, at the time of purchasing accommodation, pay the Municipal Accommodation Tax in the amount of four (4) percent of the Purchase Price of accommodation provided for a period of less than thirty (30) days provided in a licensed Short-Term Accommodation.
- 3.2** For greater certainty, the continuous period referred above is not disrupted by the purchase of different rooms, suites, beds, or other lodging in the same establishment during the continuous period.

4. TAX COLLECTED AND SUBMISSION

- 4.1** A Provider of transient accommodation shall include on every invoice or receipt for the purchase of transient accommodation, a separate item for tax on transient accommodation imposed on the purchase, and the item shall be identified as "Municipal Accommodation Tax".
- 4.2** A Provider of transient accommodation shall collect the MAT from the Purchaser at the time the accommodation is purchased.

- 4.3** A Provider shall remit to the Municipality the amount of the MAT collected for the previous quarter and submit statements in the form required by the Municipality for the purpose of administering and enforcing this By-law. These remittances shall be made by the end of April, July, October, and January for the respective previous quarter.

Remittance Schedule

Q1 (January – March) is due on or before April 30

Q2 (April – June) is due on or before July 31

Q3 (July – September) is due on or before October 31

Q4 (October – December) is due on or before January 31

- 4.4** MAT shall be applied to the total purchase price of accommodation. It does not apply to food & beverage, room incidentals, service charges, meeting room rentals, laundry services, internet access, or parking. However, to be exempt from the Municipal Accommodation Tax, these amenities and service charges must be separately itemized on the invoice.
- 4.5** If no Municipal Accommodation Tax was collected, the Accommodation Provider is still required to submit the Municipal Accommodation Tax Return indicating that no Municipal Accommodation Tax was collected in the reporting period.
- 4.6** A Provider's operating costs including commission paid to a third party used to secure or provide the accommodation are not deductible when MAT is being remitted to the municipality.

5. DELEGATION OF AUTHORITY

- 5.1** The Treasurer is 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 Bylaw and to collect the MAT.
 - (b) perform all administrative functions and conduct all enquiries, audits, assessments, approvals, referred to herein and those incidental to and necessary for the due administration, implementation and enforcement of this By-law and collection of monies owing hereunder and authorize refunds in accordance with this By-law.
 - (c) authorize, establish terms of 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
 - (d) carry out all duties assigned to the Treasurer under this By-law.
- 5.2** 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.
- 5.3** Except as expressly provided to the contrary in this By-law, the decisions of the Treasurer are final.

6. INTEREST

- 6.1** That a percentage charge of 1.25 per cent of the amount of the MAT due and unpaid be imposed as a penalty for the non-payment of taxes on the first day of default based on the full occupancy of the Establishment unless the actual amount of the MAT owing can be determined by the municipality, in that case, the percentage charge of 1.25 per cent of the actual amount of the MAT will be imposed.
- 6.2** That an interest charge of 1.25 per cent each month of the amount of the MAT due and unpaid, be imposed for the non-payment of taxes on the first day of each month and subsequent months following the first day of default.

7. LIENS

- 7.1** All MAT penalties and interest that are past due shall be deemed by the Municipal Treasurer to be in arrears and shall be transferred to the tax collector's roll of the Municipality, for that property, to be collected in the same manner as municipal property taxes and shall constitute a lien upon the lands.

8. AUDIT AND INSPECTION

- 8.1** Every provider of transient accommodation shall keep and retain books of account, records, and documents for three (3) years sufficient to furnish the municipality and its designated tax collection agents with the necessary particulars of sales of accommodation, amount of levy collected and remittance.
- 8.2** The Treasurer or designate and the municipality's designated tax collection agent may inspect and audit all books, documents, transactions, and accounts of the transient accommodation service provider as required for the purposes of administering and enforcing this By-Law.
- 8.3** No person shall obstruct or hinder or attempt to obstruct or hinder the Treasurer or designate and the designated tax collection agent in the exercise of their power or the performance of a duty under this By-Law.
- 8.4** The Treasurer or designate and the designated tax collection agent shall have the right to enter lands and premises to conduct an inspection to determine whether the provisions of this By-Law and any order(s) issued hereunder are being complied with in accordance with the provisions of Sections 435 and 436 of the Municipal Act, 2001.

9. OFFENCES AND PENALTIES

- 9.1** Every person who contravenes any provision of this by-law is guilty of an offence as provided for in subsection 429(1) of the Municipal Act, 2001, and all such offences are designated as continuing offences as provided for in subsection 429(2)(a) of the Municipal Act, 2001 and the Provincial Offences Act, R.S.O. 1990, c P. 33.

(a) A person who is convicted of an offence under this by-law is liable to a minimum fine of \$500.00 and a maximum fine of \$100,000 as provided for in subsection 429(3)2 of the Municipal Act, 2001.

(b) A person 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, as provided for in subsection 429(3)2 of the Municipal Act, 2001.

- 9.2** Every corporation that contravenes any provision of this by-law is guilty of

an offence as provided for in subsection 429(1) of the Municipal Act, 2001, and all such offences are designated as continuing offences as provided for in subsection 429(2)(a) of the Municipal Act, 2001 and the Provincial Offences Act, R.S.O. 1990, c P. 33.

(a) A corporation convicted of an offence under this by-law is liable to a minimum fine of \$500.00 and a maximum fine of \$100,000 as provided for in subsection 429(3)2 of the Municipal Act, 2001.

(b) A corporation 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 the daily fines for the offence is not limited to \$100,000, as provided for in subsection 429(3)2 of the Municipal Act, 2001.

9.3 Where a corporation is convicted of an offence under this Act,

(a) each director of the corporation; and

(b) each officer, employee, or agent of the corporation who was in whole or in part responsible for the conduct of that part of the business of the corporation that gave rise to the offence is guilty of an offence unless he or she satisfies the court that he or she took all reasonable care to prevent the commission of the offence.

9.4 When a person or corporation has been convicted of an offence under this by-law, the Ontario Court of Justice or any court of competent jurisdiction thereafter may, in addition to any penalty imposed on the person convicted, issue an order:

(a) prohibiting the continuation or repetition of the offence by the person convicted; and

(b) requiring the person convicted to correct the contravention in the manner and within the period that the court considers appropriate.

10. COLLECTION

10.1 All MAT and related penalties and interest that are past due shall be deemed to be in arrears and a debt owing to the municipality. The Treasurer is authorized to take any one or more steps available to the municipality to collect any such amount including without limitation:

(a) adding the amount to the tax roll for any real property in the municipality registered in the name of the Provider to be collected in like manner as property taxes and constituting a lien upon the lands.

(b) bringing an action in the name of the municipality 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.

10.2 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.

11. CONFLICTS

11.1 If any section or portion of this By-law is found by a court of competent jurisdiction to be invalid, it is the intent of Council for the Municipality that all remaining sections and portions of this By-law continue in force and effect.

COMMENCEMENT

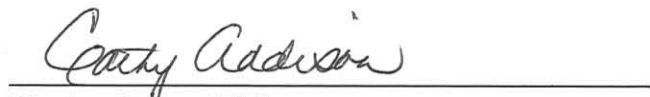
1. This By-law shall come into force and effect on January 1, 2025.
2. That By-law 2021-83 is hereby rescinded as of January 1, 2025.

Read a first, and second time this day of 24th day of June 2024.

Read a third time, finally passed, signed, and sealed this 24th day of June 2024.



Mayor – Milt McIver



Clerk– Cathy Addison