



## QUICK FACTS

# ACCOMMODATION TAX BY-LAW

### BY-LAW No. 70/2008

---

*This By-law was approved by the Lieutenant Governor in Council (Province of Manitoba).  
The By-law came into force June 1, 2008.*

#### OVERVIEW

- On April 23, 2008, City Council passed the Accommodation Tax By-law No. 70/2008. The By-law sets the requirements for the application, collection and remittance of a 5% tax on accommodations within the city of Winnipeg effective June 1, 2008.
- The intent of the accommodation tax is to generate revenue to support Economic Development Winnipeg, the Winnipeg Convention Centre, and special events including other organizations, projects and events that will encourage tourism to Winnipeg.
- The accommodation tax will be collected by the providers of all accommodations (hotels, motels, etc.) and will be remitted to the City of Winnipeg once a month.
- With some specific exemptions, the accommodation tax will be charged on all room or bed accommodations of less than thirty nights in the city of Winnipeg. It will apply to a room that has been paid for, even if it was not used. The accommodation tax will apply to the purchase price of the accommodation with no deductions made for items that are “built into” the room charge, such as for the use of a pool or continental breakfasts, where those items are not available for purchase separately a la carte.
- Where a “package” has been sold to a purchaser that includes the accommodation plus other goods and services (spa, dinner meal, etc.), and those goods and services are available for purchase separately a la carte, the tax will not apply to those goods and services. The tax will also not apply to optional items which result in additional charges, such as room service, movies, and telephone calls.

#### EXEMPTIONS

- The accommodation tax will not apply to the following situations:
  - accommodations purchased by the same person for a continuous period of 30 nights or more;
  - small bed-and-breakfasts and similar accommodations with 3 rooms or less for rent;
  - hostels and other low-cost accommodations of \$30 or less per night;
  - accommodations provided to patients or residents of a hospital, nursing home or care facility;
  - accommodations provided to a student in a building owned by an educational institution while the student is attending the institution;
  - accommodation supplied by employers to their employees;

- time-sharing arrangements;
- sites in campgrounds or trailer parks;
- hospitality rooms that do not include a bed; and
- elements of an all-inclusive vacation package that can be distinguished from the cost of the room accommodation.

#### CALCULATION OF THE ACCOMMODATION TAX

As noted above, the accommodation tax is calculated at 5% of the purchase price of short-term accommodation in the city of Winnipeg. The accommodation tax is not applied to the federal Goods and Services Tax (GST) and the Manitoba Retail Sales Tax (PST). In other words, the 5% Accommodation Tax is calculated on the purchase price of accommodation before the GST and PST.

#### IS GST OR PST CALCULATED ON THE ACCOMMODATION TAX?

The GST is calculated on the Accommodation Tax, as municipal levies are subject to GST per the Excise Tax Act.

The PST is not calculated on the Accommodation Tax. The Province of Manitoba exempted Accommodation Tax from PST on May 8, 2008.

#### REFUNDS, APPEALS, PENALTIES AND AUDITING

The By-law has clauses that consider refunds, for example, to people who are in Winnipeg for medical tests or treatments and for taxes paid in error. The By-law also addresses appeals to the City of Winnipeg's Standing Policy Committee on Finance, penalties for late payment and allowing access to records for auditing purposes.

#### NO REGISTRATION

The By-law does not require providers of accommodation to register with the City of Winnipeg.

#### FOR MORE INFORMATION

Please review the Accommodation Tax By-law No. 70/2008 and, for a detailed interpretation of the By-law, the Accommodation Tax By-law – Information Circular.

These documents can be found on the City's website at  
<http://www.winnipeg.ca/tax/accommodation>

Please contact the City of Winnipeg for further information regarding the Accommodation Tax at:

Phone: 311 or toll free 1-877-311-4974

Email: [311@winnipeg.ca](mailto:311@winnipeg.ca)