

Item 13c, December 2023 regular Council meeting

Preliminary discussion, requested by Councillor McCardle, with the intent to gather perspectives and information required to move forward with a By-law to approve the application of a Tourism Accommodations levy or other review.

1 - The Rural Municipality of Victoria has the authority to apply a levy to all the tourism accommodation establishments that operate within the municipality

- See Section 161 of the MGA - Tourism accommodations levy.
- See Section 162 of the MGA - establishing fees for business licenses, inspections, parking, recreation and other matters.

2 - The application of a 3% levy (or other % amount) to all tourist accommodation businesses would have a significant and beneficial impact on the sustainability of the municipality.

- The amount would be charged to customers, based on the cost of their accommodation, and passed on to the municipality.
- Currently, the only municipal revenue from tourist establishments in the community is via their property taxes, and water & sewer fees.

3 - It is uncertain whether the municipality also has the authority to impose a levy on, for example, restaurants - Section 161 of the MGA is focused on tourism accommodations.

4 - Charlottetown charges this 3% levy allowed under the MGA, and they have an appropriate bylaw that Council could review before considering our own bylaw. See here:

<https://www.charlottetown.ca/common/pages/DisplayFile.aspx?itemId=18125374>