

**The Municipality of Central Manitoulin
By-Law Number 2021-22**

**Being A By-law to Impose
A Transient Municipal Accommodation Tax Within
The Municipality of Central Manitoulin.**

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

AND WHEREAS pursuant to section 400.1 of the Municipal Act, 2001 and the Ontario Regulation 435/17, the Council of The Municipality of Central Manitoulin wishes to establish and levy the tax rate on the purchase of transient accommodation within the Municipality of Central Manitoulin; and

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 Central Manitoulin;

NOW THEREFORE THE COUNCIL OF THE MUNICIPALITY OF CENTRAL MANITOULIN HEREBY ENACTS AS FOLLOWS:

1. DEFINITIONS

"Accommodation" - means Lodging, and the right to use Lodging, that is provided for consideration, whether or not the lodging is actually used;

"Council" - means the Council of the Municipality of Central Manitoulin;

"Establishment" - means the physical location, a building 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 Municipality of Central Manitoulin;

"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" – lodging in a short-term rental for a period less than 30 consecutive days.

2. EXEMPTIONS

The Municipal Accommodation Tax imposed under this By-law does not apply to:

The Crown, every agency of the Crown in right of Ontario and every 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;

Every board as defined in subsection 1(1) of the Education Act;

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;

Every hospital referred to in the list of hospitals and their grades and classifications

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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;

Every long-term care home as defined in subsection 2 (1) of the Long-Term Care Homes Act, 2007 and hospices;

A hotel, motel, hostels, bed and breakfast are not included in the MAT;

A tent or trailer site supplied by a campground, tourist camp or trailer park; Employer to their employees in premises operated by the employer; and such other persons and entities as may be prescribed.

3. APPLICATION OF TAX - Short Term Accommodation

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.

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 in the course of the continuous period.

4. TAX COLLECTED AND SUBMISSION

A Provider of transient accommodation shall include on every invoice or receipt for the purchase of transient accommodation a separate item for the amount of tax on transient accommodation imposed on the purchase, and the item shall be identified as "Municipal Accommodation Tax"

A Provider of transient accommodation shall collect the MAT from the Purchaser at the time the accommodation is purchased.

A Provider shall remit to the Municipality for 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 previous quarter.

5. DELEGATION OF AUTHORITY

The Treasurer or designate, shall be responsible for the administration of this By-law, including but not limited to approvals, appeals, enforcement and collection.

6. PENALTIES AND INTEREST

Penalties and interest at the rate applicable to overdue property taxes shall be payable by the Providers of transient accommodation on the non-payment of the full amount of the MAT by the due date set out above, and interest may be added on the first day of default and each month thereafter in which the default continues.

7. LIENS

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 collectors' roll of the Municipality to be collected in the same manner as municipal property taxes and shall constitute a lien upon the lands.

8. AUDIT AND INSPECTION

The Provider shall keep books of account, records, and documents sufficient to furnish the Municipality or its agent with the necessary particulars of sales of Accommodations, amount of MAT collected and remittance.

The Municipality or its agent may inspect and audit all books, documents, transactions and accounts of the Providers and require the Providers to produce copies of any documents or records required for the purposes of administering and enforcing this by-law, as required.

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9. OFFENCES AND PENALTIES

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 of 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.

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

- i. prohibiting the continuation or repetition of the offence by the person convicted; and
- ii. requiring the person convicted to correct the contravention in the manner and within the period that the court considers appropriate.

10. CONFLICTS

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 effect on January 1, 2022.
- 2. 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.

Read a first and second time this ____ day of _____, 20____.

Read a third time, finally passed, signed, and sealed this ____ day of _____, 20____.

Mayor – Richard Stephens

CAO/Clerk – Ruth Frawley

I, _____, Clerk of the Municipality of Central Manitoulin, do hereby certify that that this is a true copy of By-law 2021-21 as passed in open Council on the ____ day of _____, 2021.

Clerk