

Tourism Levy Top 10 Tips

Find out how to file and remit correctly to save you time and money.

All temporary accommodation providers (operators) in Alberta are required to collect and remit the tourism levy to Tax and Revenue Administration (TRA). The following 10 tips will help operators ensure the tourism levy is collected and remitted correctly.

1 Register the Facility

All operators are required to register for the tourism levy program if they provide temporary accommodation and the establishment has four or more bedrooms available for rent separately at the same time at the same location.

- To register, complete and submit the [AT4827 Tourism Levy Registration form](#).

Ensure the form is complete and includes the contact information of the person who will be completing the returns.

2 Submit Returns

Operators must collect the tourism levy once they are registered. They must then complete and submit returns. Returns can be submitted online, using the Tax and Revenue Administration Client Self-service ([TRACS](#)) filing system, or by faxing or

mailing a hard copy of the [AT317](#) Tourism Levy Return form to TRA.

- Returns are filed either quarterly or monthly depending on the size of your establishment and are due on the 28th day of the month following the period end.

If the operator files their return electronically using [TRACS](#), the return is successfully submitted when a confirmation number is generated and shown on the screen.

TRACS

Is a convenient, fast and secure online filing system that allows you to file a return, check financial transactions and assessment statuses, and update contact information.

3 Remitting the Levy

TRA accepts electronic payments and cheques. You may also pay by debit in person at our Edmonton office.

- TRA must receive payment of all tourism levy collected by the 28th day of the month following the period end.

If paying by cheque, the Business Identification Number (BIN) issued by TRA, the occurrence number of the facility, and the period end that the payment is for must be included on the cheque. If the operator is remitting the tourism levy for more than one location, facility, and/or for multiple

How to Report the Tourism Levy

period ends, a memo should be attached to the cheque explaining how the funds are to be allocated.

4 Purchase Price of the Room

The tourism levy applies to all fees that are included in the purchase price of the accommodation as stated on the invoice. Examples include Direct Marketing Fees, pet charges, microwave ovens, refrigerators and fees for smoking in a non-smoking room.

5 Tourism Levy and Other Fees

The tourism levy does not apply to fees that are not attributable to lodging. These optional charges must be stated separately on the invoice. Examples include internet access, in-room entertainment, and parking fees. If these charges are not separated from the purchase price of the accommodation, tourism levy will apply.

6 Exemptions

Federal government employees are exempt from the tourism levy only when the employee can provide supporting documentation that the accommodation is for work purposes.

- **Government of Alberta employees are NOT exempt from the tourism levy.**

Long-term rentals are also exempt when the same person stays in the same room continuously for 28 days or longer.

7 Gross Revenue

Ensure gross revenue is calculated based on invoiced amounts and is not under-reported. Do not use the tourism levy account in the general ledger to determine gross revenue.

8 Complimentary Rooms

When an operator provides a contractor, employee or entertainer with accommodation in exchange for an act, benefit, interest, promise or goods or services, the tourism levy is calculated based on the purchase price of a similar room during the same time period.

9 Cancellations / No Shows

The tourism levy is applicable to forfeited deposits and cancellation fees.

10 Reward Point Stays

When an operator is reimbursed by a rewards company for the accommodation provided, the tourism levy is calculated on the amount the operator receives from the rewards company.

Calculating Tourism Levy for Cancellations / No Shows and Rewards Points Stays

$$\text{Tourism levy} = \$ \text{ Received} - (\$ \text{ Received} / 1.04)$$

For example, if the forfeited room deposit = \$100, then the revenue for the room is \$96.16 and the tourism levy is \$3.84.