



**BY-LAW NUMBER 93-2022
OF
THE CORPORATION OF THE CITY OF STRATFORD**

BEING a By-law to impose a Municipal Accommodation Tax
in the City of Stratford on the purchase of accommodations
of short term duration.

WHEREAS section 400.1 of the Municipal Act, 2001, S.O. 2001, c.25, as amended, (hereinafter referred to as the "Act") provides that a municipality may pass a by-law imposing a transient accommodation tax;

AND WHEREAS Ontario Regular 435/17 provides regulations in respect of the imposition of a transient accommodation tax;

AND WHEREAS section 23.2 of the Act permits a municipality to delegate certain legislative and quasi-judicial powers;

AND WHEREAS at its meeting of June 27, 2022, Council of The Corporation of the City of Stratford approved the establishment of the transient accommodation tax to be imposed on the purchase of accommodations of short duration within the City of Stratford, which will generate revenue to be shared with designated non-profit entities to promote local tourism;

NOW THEREFORE BE IT ENACTED by Council of The Corporation of the City of Stratford as follows:

1. Definitions

"Ancillary Charges" means charges related to the purchase of Transient Accommodation including, but not limited to the purchase of food, room service, mini bar products, internet, movie rentals, and phone charges.

"City" means The Corporation of the City of Stratford.

"Council" means the 1 Mayor and 10 members of Stratford City Council.

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

"Provider" means a person who receives payment in consideration for Transient Accommodation and includes agents, hosts or others who sell, offer for sale or otherwise provides Transient Accommodation; where the Provider cannot easily be determined, the owner of a property providing accommodation is deemed to be the provider of Transient Accommodation.

"Purchaser" means the person who makes payment in consideration for Transient Accommodation.

“Reporting Period” means monthly for hotel and motel providers and quarterly for all other providers unless otherwise established with the City.

“Transient Accommodation” means the purchase of a room or suite of rooms containing one or more beds or cots, whether in a hotel, motel, boarding, lodging or rooming house, bed and breakfast or other short-term Rental Accommodation establishment providing lodging.

2. Application

- 2.1 A Purchaser of a Transient Accommodation shall pay, at the time of purchase, a Municipal Accommodation Tax in the amount of four (4) percent of the purchase price of the Transient Accommodation provided for a continuous period of less than 30 nights.
- 2.2 The Municipal Accommodation Tax shall not apply to Ancillary Charges that are itemized separately on the Purchaser’s receipt.
- 2.3 Where the Provider of Transient Accommodation fails to separately itemize Ancillary Charges, the Municipal Accommodation Tax shall apply to the total amount of the purchase price.

3. Exemptions

- 3.1 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 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;
 - 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;
 - 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 licence 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;
 - f) Every treatment centre that receives provincial aid under the Ministry of Community and Social Services Act;
 - g) Every house of refuge, or lodging for the reformation of offenders;
 - h) Every charitable, non-profit philanthropic corporation organized as shelters for the relief of the poor or for emergency;

- i) Every hotel or motel room used by the City or its agents for shelter accommodation purposes;
- j) Every tent or trailer site supplied by a campground, tourist camp or trailer park;
- k) Every accommodation supplied by employers to their employees in premises operated by the employer; and
- l) Every hospitality room in an establishment that does not contain a bed and is used for displaying merchandise, holding meetings, holding hearings or entertaining.

4. MAT Collected by Provider

- 4.1 Providers of Transient Accommodation shall list the Municipal Accommodation Tax as a separate item on the Purchaser's receipt or invoice and identify such tax as "Municipal Accommodation Tax".
- 4.2 Providers of Transient Accommodation shall collect the Municipal Accommodation Tax from the Purchaser at the time of purchase.
- 4.3 Providers of Transient Accommodation shall, within 15 days of the end of each Reporting Period for the Reporting Period prior, remit the Municipal Accommodation Tax to the MAT collection agent(s) designated by the City in a manner the City's Director of Corporate Services and Treasurer, or designate, deems acceptable.
- 4.4 Providers of Transient Accommodation shall, within 15 days of the end of each Reporting Period for the Reporting Period prior, provide a statement in the form required by the MAT collection agent(s), and these statements shall include:
 - a) The number of rooms sold;
 - b) The purchase prices of the rooms sold;
 - c) The number of rooms that were exempt under the By-law and proof the Provider relied on; and
 - d) The Municipal Accommodation Tax collected.
- 4.5 Providers of Transient Accommodation shall provide supporting information as requested by the City's Director of Corporate Services and Treasurer, or designate, for the purposes of enforcing and administering the MAT.

5. Refunds

- 5.1 Where a Purchaser has paid an amount that is not payable, the City's Director of Corporate Services and Treasurer or the City's MAT collection agent(s), may upon receipt of satisfactory evidence, make a determination that the amount was wrongly paid, and if such a determination is made the City or its MAT collection agent(s) shall refund or credit all or part of the amount, but no refund shall be made unless an application is made to the City within twenty-four (24) months after the payment date.

- 5.2 Where a Provider of Transient Accommodation remits an amount in error, the City or its MAT collection agent(s), may upon receipt of satisfactory evidence, make a determination that an amount was wrongly paid, and if such a determination is made, the City or its MAT collection agent(s), shall refund all or part of the amount, but no refund shall be made unless an application for such a refund is made to the City within twenty-four (24) months after the date of remittance.
- 5.3 Where a person has applied for a refund and the person's claim is in whole or in part refused, the City or its MAT collection agent(s) shall provide a statement of disallowance in such form as determined by the City or its MAT collection agent(s), and the statement shall specify the amount of disallowance and the reasons for the disallowance.

6. MAT Collection Agent

- 6.1 The MAT collection agent shall be the Ontario Restaurant Hotel and Motel Association ("ORHMA") or as determined by the City.
- 6.2 The City's Director of Corporate Services and Treasurer, or designate, in consultation with the City Solicitor, may designate additional MAT collection agents for the City and enter into agreements with designated MAT collection agents.
- 6.3 The MAT collection agent(s) shall collect and administer the Municipal Accommodation Tax as an agent for the City in accordance with the agreement between the City and the MAT collection agent(s) and this By-law.

7. Interest, Fees and Liens

- 7.1 Penalties and interest at a monthly rate of interest applicable to overdue property taxes, shall apply to any outstanding Municipal Accommodation Tax and shall be payable by the Providers of Transient Accommodation on the amount of any tax payable or remittable from them within 30 calendar days following the date on which the Municipal Accommodation Tax was payable to the MAT collection agent(s), or its remittance was due up to and including the date on which such MAT is paid or remitted in full.
- 7.2 All Municipal Accommodation Tax penalties and interest that are past due shall be deemed by the City's Director of Corporate Services and Treasurer, or designate, to be in arrears and shall be transferred to the City's municipal tax roll for any real property in the City to be collected in the same manner as municipal property taxes and shall constitute a lien upon the lands.
- 7.3 A fee, as prescribed by the current City Fees and Charges By-law, shall be charged in respect of all remittances made by cheque that are not honoured by the financial situation upon which it is drawn.

8. Audit and Inspections

- 8.1 Every Provider shall keep, for no less than three (3) years, books of account, records, and documents sufficient to furnish the City or its designated MAT collection agent(s) with the necessary particulars of:

- a) Sales of accommodation;
 - b) Amount of the Municipal Accommodation Tax collected; and
 - c) The remittances made to the MAT collection agent(s).
- 8.2 The City's Director of Corporate Services and Treasurer or the City's designated MAT collection agent(s) may from time to time, inspect and audit the books, documents, transactions, and accounts of Providers and require Providers to produce copies of any document or records required for the purpose of administering and enforcing this By-law.
- 8.3 Every Provider shall furnish upon the request of the City's Director of Corporate Services and Treasurer or the City's designated MAT collection agent(s) for reasonable inspection, copies of any books, documents, transactions, accounts or records required for the purposes of the administration and enforcement of this By-law.
- 8.4 Where it appears from an inspection, audit or examination of the books of account, records or documents that this By-law has not been complied with, the person making the inspection, audit or examination shall calculate the amount payable in such manner and form and by such procedure as the City considers adequate and expedient, and the City shall assess the amount payable.
- 8.5 A person in receipt of such a demand shall comply within the time specified on the demand.

9. Offence and Penalties

- 9.1 Every person who contravenes any provision of this By-law is guilty of an offence.
- 9.2 Every director or officer of a corporation who knowingly concurs in the contravention of any provision of the By-law is guilty of an offence.
- 9.3 Every person convicted of an offence under this By-law is liable to a minimum fine of \$500 and a maximum fine of \$100,000 as provided for in subsection 429(3) of paragraph 1 of the Act.
- 9.4 Every person convicted of an offence under this By-law is liable, for each day the offence continues, to a minimum fine of \$500 and a maximum fine of \$100,000 as provided for in subsection 429(3) paragraph 2 of the Act. The total of all the daily fines for a continuing offence is not limited to \$100,000.
- 9.5 The Superior Court of Justice or any court of competent jurisdiction may, in addition to any penalty imposed on a person convicted of an offence under this By-law, issue an order:
- a) Prohibiting the continuation or repetition of the offence by the person convicted; or
 - b) Requiring the person convicted to correct the contravention in a manner prescribed by the court.

10. Administration

- 10.1 The City's Director of Corporate Services and Treasurer or designate, shall be responsible for the administration of this By-law, including but not limited to approvals, appeals, enforcement and collection.
- 10.2 In administering this By-law, City's the Director of Corporate Services and Treasurer, or designate may issue such interpretation bulletins and guidelines as the Director, from time to time, determines necessary or advisable.

11. General

- 11.1 This By-law shall come into force and effect on July 11, 2022.

Read a FIRST, SECOND and THIRD time and

FINALLY PASSED this 11th day of July, 2022.

"Daniel B. Mathieson

Mayor – Daniel B. Mathieson

"Tatiana Dafoe"

Clerk – Tatiana Dafoe