



CITY OF DAUPHIN

BYLAW 07/2020

BEING A BYLAW OF THE CITY OF DAUPHIN FOR THE PURPOSE OF IMPOSING A TAX ON ACCOMMODATIONS TO SUPPORT TOURISM, ECONOMIC DEVELOPMENT, RECREATION, AND ACTIVE LIVING

WHEREAS *The Municipal Taxation and Funding Act* provides that the council of a municipality may pass bylaws imposing such forms of taxes as it deems advisable within the municipality including, without restricting the generality of the foregoing, taxes on persons who purchase hotel and motel accommodations;

AND WHEREAS a tax on accommodations within the City of Dauphin is intended to generate revenue to be placed in the following reserves for specific purposes:

- Tourism and Economic Development Reserve (30%) – to support tourism and economic development in our community that will encourage tourists to visit Dauphin and will encourage the growth of our economy.
- Recreation and Active Living Reserve (70%) – to ensure recreation and active living is maintained and appropriately enhanced to support continued use by tourists and residents.

THEREFORE THE COUNCIL OF THE CITY OF DAUPHIN IN SESSION DULY ASSEMBLED HEREBY ENACTS AS FOLLOWS:

Short Title

1. The bylaw may be referred to as the Accommodation Tax Bylaw.

Definitions

2. In this bylaw:
 - a. Accommodation – means the use of overnight lodging, that is provided for consideration, whether or not the lodging is actually used.
 - b. Accommodation Tax – means the tax imposed by Item 4 of this bylaw.
 - c. City – means the City of Dauphin.
 - d. Establishment – provides accommodation at a particular location.
 - e. Lodging – includes a fee paid for:
 - i. The use of a bedroom, a suite of rooms containing a bedroom, or the use of a bed within a bedroom,
 - ii. The use of one or more additional beds or cots in a bedroom or suite, or
 - iii. The use of a building that contains a bed(s) or a cot(s).

- f. Motel/Hotel – means an inn, housekeeping unit, lodging house, boarding house, rooming house, bed and breakfast, resort, hostel, dormitory, or any place in which accommodation is provided.
- g. Net Proceeds – means the gross revenue received from the Accommodation Tax less any refunds and any administrative costs of the City.
- h. Operator – means a person who sells, offers for sale, or otherwise provides accommodations.
- i. Purchaser – means a person who purchases accommodations.
- j. Quarterly – means three-month periods as follows:
 - i. Quarter 1: January 1 – March 31 inclusive
 - ii. Quarter 2: April 1 – June 30 inclusive
 - iii. Quarter 3: July 1 – September 30 inclusive
 - iv. Quarter 4: October 1 – December 31 inclusive
- k. Reasonable notice – is fourteen calendar days. This notice will be mailed via regular mail and will be considered delivered to the recipient seven days after it was mailed.
- l. Recreation and Active Living Reserve Fund – means the City of Dauphin’s reserve fund established for the specific purpose of contributing the upkeep of and the appropriate additions to the recreation and active living offering in and around Dauphin.
- m. Tax Collector – means the Director of Finance, or designate, of the City of Dauphin who administers or enforces all or part of this bylaw.
- n. Tourism and Economic Development Reserve Fund – means the City of Dauphin’s reserve fund established for the specific purpose of contributing to the marketing of Dauphin to tourists and potential businesses, services, and residents.

Appointment of the Designated Officer

- 3. The Designated Officer for this bylaw shall be the Director of Finance or designate.

Application of Tax

- 4. Subject to this section, a Purchaser must, at the time of purchasing accommodation, pay an accommodation tax in the amount of 5% for each night of accommodation.
- 5. The accommodation tax imposed by Item 4 does not apply to the following situations:
 - a. Accommodation provided to patients or residents in a hospital, a sanatorium, a facility designated by regulations under *The Mental Health Act*, a personal care home licensed under *The Health Services Insurance Act*, or a residential care facility licensed under *The Social Services Administration Act* or a residence or accommodation supplied to patients while attending for medical care and treatment.
 - b. Accommodation provided in establishments in which fewer than four rooms are available for purchase.
 - c. Accommodation provided to a student by a registered educational institution while the student is registered at and attending the institution.
 - d. Tent or trailer sites supplied by a campground, tourist camp, or trailer park.
 - e. A hospitality room in an establishment that
 - i. Does not contain a bed,
 - ii. Is not a suite that contains a bed, and
 - iii. Is used for displaying merchandise, holding meetings, or entertaining.

- f. Accommodation provided by a registered homeless shelter.
- g. A time-share arrangement.
- h. Accommodation provided for stays longer than 30 days.
- i. Elements of an all-inclusive vacation package that:
 - i. Do not take place in, or on the grounds of, the establishment providing the accommodation, and
 - ii. Can be reasonably distinguished from the elements of the all-inclusive vacation package that are related to the accommodation.

Tax Collected by Operator

- 6. An Operator must, as an agent for the Tax Collector, collect the accommodation tax from the Purchaser at the time the accommodation is purchased.
- 7. The amount of the accommodation tax shall be shown as a tax by the City of Dauphin and must be shown as a separate item or charge on the bill, receipt, invoice, or similar document issued by the Operator in respect of accommodation on which the tax is imposed.

Tax Remitted and Statement Submitted Quarterly by Operator

- 8. An Operator must remit to the Tax Collector by the 20th of the month following each quarter for each establishment the Operator operates, the amount of the accommodation tax that was collected by the Operator during that period, as a quarterly statement on a form provided by the Tax Collector, which statement must contain information reasonably required by the Tax Collector to administer or enforce this bylaw including:
 - a. The total number of nights of accommodation sold by the establishment during the quarter;
 - b. The total number of nights of accommodation during the quarter that are not subject to the accommodation tax;
 - c. The total number of nights of accommodation during the quarter that are subject to the accommodation tax;
 - d. The total accommodation tax collected; and
 - e. The total accommodation tax remitted.
- 9. Unless otherwise permitted by the Tax Collector, the obligation to provide a quarterly statement applies even when no taxes have been collected.
- 10. An Operator shall be permitted to a holdback of accommodation tax fees collected in each quarter in the amount of \$50. The holdback amount shall be clearly outlined on the accommodation tax form. This holdback shall be permitted each quarter, to accommodate expenses an Operator may incur as a result of administering the collection of the accommodation tax. Note that if an Operator's total remittance in any one quarter is equal to or less than \$50, the tax form still needs to be submitted to the Tax Collector, but no fees need to be submitted to the Tax Collector.

Refunds

11. The Tax Collector shall refund to a Purchaser all or a portion of an amount that was paid as if it were the accommodation tax, if the Purchaser applies for a refund within one year of the payment of the tax and provides evidence that:
 - a. the amount was paid notwithstanding that it was not payable as an accommodation tax; and
 - b. the Operator has refused to refund the amount to the Purchaser, so long as the amount was remitted by the Operator to the Tax Collectors and has not been refunded to the Operator by the Tax Collector.

12. The Tax Collector shall refund to a Purchaser all of the accommodation tax paid in respect of three or more days accommodation accumulated within one calendar year purchased by or on behalf of an individual or one or more of the individual's family members during such time as the individual is in Dauphin to receive medical treatment or to undergo testing at a hospital or Provincially-approved medical facility or to seek medical advice or treatment from a medical specialist if all of the following applies:
 - a. the individual and, where applicable, the individual's family member or members do not reside in Dauphin and have purchased temporary accommodation in Dauphin while the individual is receiving medical treatment at a hospital, undergoing testing at a hospital, or seeking specialist medical advice or treatment, and
 - b. within one year of the accommodation having been purchased, the Tax Collector receives documentation indicating that the hospital, medical facility or a physician licensed to practice medicine in the Province of Manitoba confirms:
 - i. the individual and the individual's family member or members do not reside in Dauphin, and
 - ii. the individual was required to be in Dauphin to receive medical treatment at a hospital, undergo testing at a hospital, or seek specialist medical advice or treatment on or between specific dates.

Use of the Accommodation Tax Funds

13. In any given year, the Accommodation Tax will be used two ways:
 - a. Tourism and Economic Development – Providing for marketing of our community to tourists and strengthening economic development opportunities. From the net proceeds, 30% will be deposited into the Tourism and Economic Development Reserve Fund.
 - b. Recreation and Active Living – Providing well maintained recreation and active living assets. From the net proceeds, 70% will be deposited into the Recreation and Active Living Reserve Fund.

Inspection, Audit, and Collection

14. The Tax Collector or his designate, for the purpose of enforcing this bylaw, after giving reasonable notice, may enter any establishment to:
 - a. collect the tax imposed by this bylaw, if necessary;
 - b. audit the books, records, and accounts of the Operator for the purpose of ascertaining the amount of tax to be collected and remitted;

- c. require the Operator to produce for inspection any book, contract, agreement, letter, paper or document relating to the establishment, the accommodation provided, or any other matter relating to this bylaw; and
- d. make and remove any copies of any documents or records required in the administration of this bylaw.

Appeals

15. Where an order or decision under this bylaw is subject to appeal, the appeal may be made in accordance with *The Municipal Act* to the City Manager.

Address for Service

16. Where an address for service under this bylaw is required, one of the following shall be used:
 - a. if the person to be served is an Operator, then the street address or mailing address of the establishment of which he or she is the Operator; or
 - b. if the person to be served is not the Operator, then the address provided by that person in communication with the Tax Collector.

Late Payments and other Penalties

17. A penalty equivalent to the product of 1.25% and the amount of unremitted accommodation taxes shall be added to those accommodation taxes imposed by Items 4 and 5 that are required to be remitted as per Item 8 but have not been remitted by the date specified in Item 8.
18. The penalty imposed by Item 17 above shall be compounded monthly on the 20th day of each succeeding month.
19. Once compounded, the penalties form part of the unremitted accommodation taxes and in subsequent months, penalties shall be charged upon the previous month's compounded amount until the accommodation taxes are remitted.
20. In any quarter that an Operator does not remit their accommodation tax by the due date of the 20th of the month following the quarter, the Operator forfeits their holdback for that quarter.

Other Penalties

21. Notwithstanding any other remedies available to the City under this bylaw or any other bylaw, any person who contravenes, disobeys, refuses to or neglects to obey any provision of this bylaw may be subject to a Fine Notice under the City of Dauphin's Municipal Bylaw Enforcement Act (MBEA) Enabling Bylaw.

Repeal

22. Bylaw 08/2019 is hereby repealed.

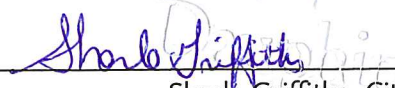
Effective Date

23. This bylaw shall come into force on January 1, 2021.

DONE AND PASSED by the Council of the City of Dauphin in regular session assembled this 20th day of April 2020.



Allen Dowhan, Mayor



Sharla Griffiths, City Manager

READ A FIRST TIME this 6th day of April 2020.
READ A SECOND TIME this 20th day of April 2020.
READ A THIRD TIME this 20th day of April 2020.