

June 5, 2018

Accommodation Establishment
Address of Establishment

Important Notice - Municipal Accommodation Tax

Dear Accommodation Provider,

Thunder Bay City Council on Monday June 4, 2018 approved the implementation of a Municipal Accommodation Tax (MAT) for the City of Thunder Bay.

The MAT will come into effect on September 1, 2018 at a rate of four percent (4%). The rate approved by City Council is consistent with other municipalities across Ontario implementing the tax.

As an Fixed Roof Accommodation Provider doing business within the boundaries of the City of Thunder Bay, you will be obliged by law to collect and remit the four percent (4%) MAT on all rooms sold for transient accommodation under 30 days starting September 1. This is a tax on accommodations only, with other services like meeting room rentals, food & beverage, parking, room service etc. exempt.

This notice gives your accommodation business over two months to prepare for the collection of the tax to update payment systems and invoices. Accommodation providers will be required to include on guest invoices, a separate line item that identifies the amount of the "Municipal Accommodation Tax".

It is estimated the MAT will generate \$2 million that will be used for tourism promotion and tourism product development to attract more visitors to our city. A detailed proposal for the structure on how the monies will be managed will be presented to City Council in July. City of Thunder Bay is working with partners at the Community Economic Development Corporation (CEDC), Tourism Thunder Bay, the Thunder Bay Hotel Association and the Thunder Bay Chamber of Commerce to develop a model that effectively involves the accommodation sector and tourism industry in the decision making for this new investment tool.

For more information on the Municipal Accommodation Tax for the City of Thunder Bay, please contact John Cameron, Tourism Development Officer II, at 625-3231, or jcameron@thunderbay.ca.

Yours truly,

Karen Lewis

Director – Corporate Strategic Services

Corporate Communications | Strategic Initiatives | Tourism Thunder Bay