CITY OF CHARLOTTETOWN

TOURISM ACCOMMODATION LEVY BYLAW

BYLAW # 2019-TAL-1

BE IT ENACTED by the Council of the City of Charlottetown as follows:

1. Title

1.1 This Bylaw shall be known as the "Tourism Accommodation Levy Bylaw".

2. Authority

2.1 Section 161(2) of the Municipal Government Act, RSPEI 1988, c M-12.1., enables Council, by bylaw, to impose a Tourism Accommodation Levy on any person who for a daily charge, fee, or remuneration purchases accommodation at a Tourism Establishment in the City of Charlottetown.

3 Application of Bylaw

3.1. This bylaw applies to all Tourism Establishments in the City of Charlottetown.

3.2. All Tourism Establishments must operate in compliance with applicable municipal bylaws, provincial and federal legislation, and any other regulations in force.

3.3. The intent of provisions of this bylaw is not invalidated by any errors in its drafting and should any provision of this bylaw be held by a court of competent jurisdiction to be invalid, the validity of the remainder of the bylaw shall not be affected.

4 Definitions

4.1 "Accommodation" means the provision of lodging in a tourism establishment in the City**;**

4.2 "Act" means the Municipal Government Act, RSPEI 1988, c M-12.1;

4.3 "City" means City of Charlottetown;

4.4 "Levy" means the Tourism Accommodation Levy established by this Bylaw;

4.5 "Operator" means the Operator of a Tourism Establishment in the City;

4.6 "Purchase Price" means the price for which accommodation is purchased, including the

price in money, the value of services rendered and other consideration accepted by the Operator in return for the accommodation provided, but does not include the goods and services tax;

4.7 "Tourism Establishment" means an establishment that provides temporary accommodation for a guest for a continuous period of less than one month (less than 31 days), and includes a building, structure or place in which accommodation or lodging, with or without food, is furnished for a price to travelers, including but not limited to: cabin, cottage, housekeeping unit, hotel, lodge, motel, inn, hostel, house, apartment, condo, bed and breakfast establishment, and resort.

5. Application of Levy

5.1 A Levy is hereby imposed in the City, the rate of which, subject to Section 6 of this Bylaw, shall be four percent (4%) effective January 1, 2026 of the Purchase Price of the Accommodation.

5.2 The Levy whether the price is stipulated to be payable in cash, on terms, by installments or otherwise, shall be collected by the Operator and the Operator, is at all times in doing so, acting as an agent of the City. The Levy shall be collected at the time of the purchase on the total amount of the Purchase Price and shall be remitted to the City at the prescribed times and in the prescribed manner as set forth in this Bylaw.

5.3 If a person collects an amount as if it were a Levy, the person must remit the amount collected to the City at the same time and in the same manner as the Levy collected under this Bylaw.

6. Exemption of Levy

6.1 The Levy shall not apply to:

(a) a student who is accommodated in a building owned or operated by a post-secondary educational institution while the student is registered at and attending a post-secondary educational institution;

(b) a person, other than a student to whom subsection (a) of this section applies, who is accommodated in a room for a continuous period of one month or more; or

(c) a person and/or a member of the person's family, accommodated while the person and/or a member of the person's family is receiving medical treatment at a hospital or provincial health-care centre or seeking specialist medical advice, provided the person or member of the person's family provides the Operator with a written statement from a hospital, provincial health-care centre or physician licensed to practice medicine in the Province of Prince Edward Island that the person and/or a member of the person's family is receiving medical treatment; that as a result the

person or member of the person's family is in need of accommodation and the time period for which such accommodation is required.

7. Return and Remittance of Levy

7.1 Subject to the provisions of subsection 7.2, all Operators shall provide the City with a monthly statement on the form provided by the City, detailing the total number of rooms sold in the month, the purchase price for each and the amount of Levy collected, or to be collected, for each room.

7.2 In addition to the monthly statement in subsection 7.1, the City may at any time require an Operator to provide the City with a statement detailing the number of rooms sold in a specified period(s), the purchase price and the amount of Levy collected for each room and any other information which the City requires in order to verify the proper collection and remittance of the Tourism Accommodation Levy.

7.3 A separate monthly statement shall be provided for each Tourism Establishment.

7.4 All Levies collected by an Operator in a month shall be remitted to the City with the applicable monthly statement not later than the 20th day of the month following the month in which the Levy was collected.

7.5 If no Levy has been collected in a month, the Operator is still required to complete and deliver a monthly statement to the City.

7.6 Where an Operator ceases to carry on or disposes of a Tourism Establishment, the Operator shall file a statement and remit any Levy collected within twenty (20) days of the date of discontinuance or disposal.

7.7 Any amount due under this Bylaw, shall bear interest at the rate prescribed pursuant to the Revenue Administration Act, R.S.P.E.I. 1988, Cap. R-13.2, from the day on which the amount collected should have been remitted to the City.

8. Records

8.1 Every Operator shall keep such books of account, records and documents sufficient to furnish the City with the necessary particulars of:

(a) sales of Accommodation,

(b) amount of Levy collected or to be collected on sales of accommodation, and

(c) delivery of Levy to the City.

8.2 All entries concerning the Levy in such books of account, records and documents shall

be separate and distinguishable from other entries made therein.

8.3 Every Operator shall retain any book of account, record or other document referred to in this section until the City authorizes its destruction.

8.4 Where a receipt, bill, invoice or other document is issued by an Operator in respect of a room for which a Levy is collected, the amount of the Levy shall be shown on such receipt, bill, invoice or other document as a separate item or charge.

9. Calculation of Levy

9.1 Where an Operator sells accommodation in combination with meals and other specialized services for an all-inclusive package price, the Purchase Price for purposes of collecting the Levy shall exclude the meals and other specialized services.

10. Refund of Levy

10.1 The City may refund to an Operator all or a portion of a Levy remitted by the Operator to the City, if the City determines that the Operator collected a Levy on the sale of Accommodation in error and the Operator provides proof to the City that the amount collected in error has been refunded to the purchaser of the Accommodation.

10.2 With the permission of the City, an Operator may deduct the amount of the refund payable to the Operator under subsection 10.1 from the amount of Levy that the Operator is required to remit under this Bylaw.

11. Inspection, Audit, and Assessment

11.1 A person appointed by the City may enter at a reasonable time with reasonable notice the Tourism Establishment or the premises where the Operator's records are kept if not the same,

(a) to determine whether or not
  (i) the Operator's business is one to which the provisions of this Bylaw apply;

  or

  (ii) this Bylaw is or has been fully complied with, or

(b) to inspect, audit, and examine books of account, records or documents relating to the monthly or other statement delivered to the City and the amount of the Levy remitted to the City.

12. Use of Funds

12.1 Funds collected under the Tourism Accommodation Levy shall be used to attract tourism business and market Charlottetown as a visitor destination.

12.2 Funds collected will be allocated to partners under the Tourism Accommodation Levy Memorandum of Understanding and administered by the City, which will retain a 3% administrative fee.

13. Enforcement

13.1 A person who contravenes any provision of the Bylaw is guilty of an offence punishable by summary conviction and on conviction is liable to a fine of not less than $500 and not more than $1,000 and for a subsequent conviction, for the same or another provision of this regulation, to a fine of not less than $1,500 and not more than $5,000

13.2 A Tourism Establishment which fails to remit the Levy to the City, in accordance with the provisions of this Bylaw, shall be subject to a lien pursuant to Sections 161(9) and 161(10) of the Act.

13.3 The provisions of the City's Enforcement and Summary Proceedings Bylaw #2024-ESP-01 or any successor bylaw, apply to the enforcement of this Bylaw.

*"This document is an office consolidation of this Bylaw (**amending bylaw adopted 28-Oct-2025**). It is intended for information and reference purposes only. This document is not the official version of the Bylaw. Where accuracy is critical, please consult official sources. If you find any errors or omissions in this consolidation, please contact the Procedure & Records Coordinator.*