



ONTARIO, CA

**COCHRANE**

## **MUNICIPAL ACCOMMODATION TAX**

### **For Visitors/Guests**

On Thursday November 23, 2017, the Province of Ontario issued the Transient Accommodation Regulation 435/17, which came into force December 1, 2017 and provides the necessary provisions for municipalities across Ontario to implement a Municipal Accommodation Tax (MAT). On June 25, 2019, Cochrane Town Council approved the adoption of a mandatory [Municipal Accommodation Tax](#) of 4% effective July 1, 2019 in the Town of Cochrane. The Municipal Accommodation Tax will support the costs of promoting Cochrane as a tourism destination. All accommodation providers doing business and/or facilitating business transactions within the boundaries of the Town of Cochrane, are obliged by law to collect and remit a 4% Municipal Accommodation Tax (MAT) on all room revenue sold for overnight accommodation.

Revenues generated from other hospitality services including, but not limited to, meeting room rental, food & beverage, room service, laundry service, parking etc. will be excluded from the Municipal Accommodation Tax. This tax is applicable to all accommodations under 30 days at hotels, motels, resorts, inns, individual accommodators using a common platform marketplace service, as well as other accommodators not previously excluded.

The Municipal Accommodation Tax revenue will be provided in part, to the Cochrane Tourism Association for the purposes of promoting and growing the tourism industry in Cochrane. A portion of the revenue will remain with the municipality and used to promote and grow tourism in Cochrane as well.

The Municipal Accommodation Tax came into effect on July 1, 2019 and will be charged at a rate of 4% for the overnight accommodation portion of your bill. The Municipal Accommodation Tax is HST applicable if the business is an HST registrant.

# Frequently Asked Questions (FAQ) – Visitors/Guests

## **1. How much is the Municipal Accommodation Tax (MAT) and how is it applied?**

The MAT rate is four percent (4%).

The MAT applies on the purchase price of accommodation(s) for continuous stays of 30 days or fewer. Revenues generated from ancillary services, including but not limited to such things as meeting room rentals; food and beverage; mini bar; internet; telephone; and room service will be excluded from the MAT.

All guest invoices should include a separate line for Municipal Accommodation Tax as of July 1, 2019.

If the accommodation was booked and paid in full prior to July 1, 2019, the tax will not be applicable. If it was booked before July 1, 2019 but paid on July 1, 2019 or later, the tax is applicable.

Harmonized Sales Tax (HST) is applicable to the MAT.

## **2. I plan on staying at an Airbnb during my stay in Cochrane, will I need to pay the Municipal Accommodation Tax (MAT) for this type of stay?**

Yes, the MAT will apply to this type of accommodation for continuous stays of 30 days or fewer.

## **3. Can I refuse to pay the Municipal Accommodation Tax (MAT)?**

No, the MAT is a mandatory tax on the purchase price of accommodation for continuous stays of 30 days or fewer.

## **4. Prior to July 1, 2019, I pre-paid in full for a future stay after July 1, 2019 and no Municipal Accommodation Tax (MAT) was added, will I have to pay the MAT when I check in?**

If the accommodation was booked and paid in full prior to July 1, 2019, the tax will not be applicable. If it was booked before July 1, 2019 but paid on July 1, 2019 or later, the tax is applicable.

## **5. What happens with the funds generated through the Municipal Accommodation Tax (MAT)?**

The MAT will support important Town of Cochrane tourism programs and contribute to a strong and vital community. One half of the net MAT revenue will be shared with the Cochrane Tourism Association (CTA) to support their promotion and development of Cochrane tourism. The other 50% of net MAT revenue will remain with the Town to provide funding for future project/initiatives which aim to support tourism.

## **6. Do I still need to pay the Municipal Accommodation Tax (MAT) if I do not show up for the reservation?**

If you are charged for the accommodation, whether or not you actually occupy it or not, then MAT will apply. If you do not cancel your room reservation and you are charged for accommodation (no-show included), the MAT will be charged. If you are not charged for the accommodation but subject to a cancellation fee, the MAT should not apply.

