

Tourism Levy

Top 10 Tips

How to Report the Tourism Levy

Filing and remitting correctly can save you time and money

All temporary accommodation providers (operators) in Alberta are required to collect and remit the tourism levy to Tax and Revenue Administration (TRA) unless they only provide accommodation that is exempt or excluded. See [Overview](#) for more information.

The following 10 tips will help operators ensure the tourism levy is collected and remitted correctly.

1 Register the facility

All operators are required to register for the tourism levy program if they provide temporary accommodation. This includes any accommodation provided in Alberta, including stays in residential units.

See [How to register](#) to complete and submit the **Tourism Levy Registration form**.

2 Submit returns

Operators must collect the tourism levy once they are registered. They must then complete and submit returns. Returns should be submitted online, using the [Tax and Revenue Administration Client Self-service \(TRACS\)](#) filing system.

Returns are filed either quarterly or monthly (refer to your approval letter) and are due on the 28th day of the month following the period end.

When an operator is using [TRACS](#), a return has been submitted successfully when a confirmation number is generated and shown on the screen.

TRACS

Is a convenient, fast and secure online filing system that allows you to register, file a return, check financial transactions and assessment statuses, and update contact information.

3 Remitting the Levy

TRA accepts payments by Interac e-transfer, credit card, cheque, money order, PayPal or debit in-person at our Edmonton office. See [About Making Payments to TRA](#) for more information.

TRA must receive payment of all tourism levy amounts collected by the 28th day of the month following the period end.

If paying by cheque, the Business Identification Number (BIN) issued by TRA, the occurrence number of the facility and the period end that the payment is for must be included on the cheque.

If an operator is remitting the tourism levy for more than one location, facility and/or for multiple period ends, a memo should be attached to the cheque explaining how the funds are to be allocated.

4 Purchase price of the room

The tourism levy applies to all fees that are included in the purchase price of the accommodation, as stated on the invoice. This includes direct marketing fees, pet charges, fees for microwave ovens or refrigerators, and fees for smoking in a non-smoking room.

5 Tourism levy and other fees

The tourism levy does not apply to fees that are not attributable to lodging. These optional charges must be stated separately on the invoice. Examples include internet access, in-room entertainment and parking fees. If these charges are not separated from the purchase price of the accommodation, the tourism levy will apply.

6 Exemptions

Federal government employees are exempt from the tourism levy only when the employee can provide supporting documentation that the accommodation is for the government's use.

Government of Alberta employees are NOT exempt from the tourism levy.

Long-term rentals are also exempt when the same person stays in the same room continuously for 28 days or longer.

7 Gross revenue

Operators must ensure gross revenue is calculated based on invoiced amounts and is not under-reported. Do not use the tourism levy account in the general ledger to determine gross revenue.

8 Complimentary rooms

When an operator provides a contractor, such as a trades person or entertainer, with accommodation for free or in exchange for services, the tourism levy is calculated based on the purchase price of a similar room during the same time period. However, the tourism levy does not apply to a room provided for free to an employee of the operator.

Calculating tourism levy for cancellations / no-shows and rewards points stays

$\text{Tourism levy} = \$ \text{ Received} - (\$ \text{ Received} / 1.04)$

For example, if the forfeited room deposit = \$100, then the revenue for the room is \$96.16 and the tourism levy is \$3.84.

9 Cancellations / no-shows

The tourism levy is applicable to forfeited deposits and cancellation fees.

10 Reward point stays

When an operator is reimbursed by a rewards company for the accommodation provided, the tourism levy is calculated on the amount the operator receives from the rewards company.