

# Tourism Levy Act

## Information Circular TL-2R11

### Information for Operators and Online Brokers

Last updated: July 18, 2023

## Important Information

Recent amendments to the *Tourism Levy Act* (the Act) and its regulations impose new responsibilities on online brokers operating online marketplaces that include listings for accommodation in residential units in Alberta. However, the amendments will not be administered following their otherwise effective date of July 1, 2023. Until further notice, the legislation will continue to be administered as it read on June 30, 2023. Therefore, accommodation providers who list Alberta properties on online marketplaces will continue to be responsible for collecting, reporting and remitting tourism levy to Alberta Treasury Board and Finance, Tax and Revenue Administration (TRA). For additional information, refer to the [Tourism Levy 2021 Program Changes](#) fact sheet.

This information circular is intended to explain legislation and provide specific information. Every effort has been made to ensure the contents are accurate. However, if a discrepancy should occur in interpretation between this information circular and governing legislation, the legislation takes precedence.

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## Introduction

1. A person who acquires accommodation in Alberta for the person's own use, or for the use of another person, is required to pay tourism levy at the rate of 4 per cent of the purchase price of the accommodation. Tourism levy is paid at the time the accommodation is purchased and is collected by, or on behalf of, the person (operator) who sells, offers for sale, or otherwise provides (collectively, provides) the accommodation. In general, accommodation is considered to be purchased at the time payment is made for the accommodation.
2. For a complete overview of the tourism levy program, including detailed explanations of accommodation, purchase price and exemptions from tourism levy, refer to [Information Circular TL-1, Overview of the Alberta Tourism Levy Program](#).
3. Subject to the '[Providing Accommodation Through an Online Broker](#)' section, an operator is required to register, collect and remit tourism levy, and file returns, in accordance with obligations set out in the Act, as explained below.

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## Registering for Tourism Levy

4. Subject to the '[Providing Accommodation Through an Online Broker](#)' and '[Exceptions Where Tourism Levy Does Not Apply](#)' sections, in order to provide accommodation in Alberta, a person is required to register with TRA by creating and signing into an Alberta.ca account, selecting 'Tourism Levy', and completing and submitting the online registration form through the [Tax and Revenue Administration Client Self-service \(TRACS\)](#) secure online portal. For complete information on how to register, refer to the [Tourism levy](#) page of the Government of Alberta website.
5. If a person provides accommodation in respect of more than one establishment, the person may be required to register in respect of each establishment.
6. Once registered, each establishment is assigned a unique tourism levy account number that is to be used for the purposes of filing returns, making remittances and corresponding with TRA.
7. TRA may refuse to register a person if the person (and, if the person is a corporation, one of its directors or officers) has contravened the Act. TRA may also refuse to register a person who is not dealing at arm's length with a person whose registration has been suspended or cancelled, or whose application for registration has been refused.
8. If TRA refuses to register a person, TRA will send the person a notice of refusal. If the person disagrees with TRA's decision, the person may object to the notice of refusal. For additional information on how to object to a notice of refusal, refer to the '[Objections](#)' and '[Appeals](#)' sections.
9. If TRA suspends or cancels an existing registration, the operator may not provide accommodation in Alberta until the suspension has ended or the registration has been reinstated.

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## Changes in Operations

10. An operator must immediately notify TRA in writing if the operator ceases to provide accommodation in an establishment. For administrative efficiency, an operator should also notify TRA of any of the following:
  - new business locations,
  - changes in the nature of the business, for example, from a seasonal operation to a year-round operation,
  - temporary business closures, for example, for renovations,
  - changes in the legal or operating name, or address, of the business, and
  - changes in the ownership of the business.

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## Changes in Ownership

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11. If there is a change in the ownership of the business and the new owner intends to continue providing accommodation at the respective establishment, the new owner is required to register with TRA as an operator following the process explained in the [‘Registering for Tourism Levy’](#) section.
12. The previous owner is responsible for notifying TRA of a change of ownership and ensuring that, up to the date of the change in ownership, all tourism levy returns have been filed and all tourism levy payable has been remitted to TRA. The previous owner may submit a written request to TRA for a ‘clearance certificate’, which will certify that all amounts for which the operator is liable, up to the date of the certificate, have been paid. TRA will also confirm that all required returns have been received.

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## Collecting the Tourism Levy

13. Subject to the [‘Exceptions Where Tourism Levy Does Not Apply’](#) section, an operator is required to collect tourism levy from each purchaser at the time the accommodation is purchased or, in the case of ongoing maintenance fees in respect of a prepaid vacation package, when the maintenance fees are paid.
14. Tourism levy is calculated on the purchase price of the accommodation before the application of the federal goods and services tax.
15. If an operator participates in a reward or loyalty point program, tourism levy in respect of the points is calculated on the actual amount of monetary compensation received by the operator from, for example, the operator’s head office, a franchisor, or the reward program administrator. The purchase price in respect of the points is deemed to be the amount received, and the amount of tourism levy is deemed to be included in the amount received. However, if part of the purchase price also includes monetary or other consideration, the portion of the purchase price and tourism levy in respect of that consideration is calculated based on the gross amount or value of the consideration received from the purchaser.

*For example, if an operator receives \$80.00 of compensation from the reward program administrator in respect of redeemed points, the tourism levy in respect of the points is \$3.08 ( $\$80.00 \times 4/104$ ). The purchase price in respect of the points is deemed to be the net amount of \$76.92 ( $\$80.00 - \$3.08$ ). If the purchaser also paid a cash amount of \$150.00, the purchase price in respect of the cash is \$150.00 and the tourism levy in respect of the cash is \$6.00 ( $\$150.00 \times 4\%$ ). Accordingly, the total amount of tourism levy collected by the operator is \$9.08 ( $\$3.08 + \$6.00$ ) on a total purchase price of \$226.92 ( $\$76.92 + \$150.00$ ).*

16. For additional examples of how the purchase price and tourism levy are calculated for transactions using points with or without additional monetary or other consideration, refer to the ‘Reward or Loyalty Point Programs’ section of [Information Circular TL-1, Overview of the Alberta Tourism Levy Program](#).

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## Remitting the Tourism Levy

17. An operator who collects (or is deemed to have collected) tourism levy payable by purchasers is required to remit the tourism levy to TRA. All remittances must be received by TRA on or before the 28<sup>th</sup> day after the end of each collection period. If the payment due date is on a weekend or government holiday, the payment will still be considered on time if it is received by TRA on the next business day.
18. Subject to the [‘Providing Accommodation Through an Online Broker’](#) section, the collection period depends on the number of sleeping rooms available for rent, as follows:
  - if an operator rents or offers for rent 50 or more sleeping rooms, the collection period is each calendar month, or
  - if an operator rents or offers for rent fewer than 50 sleeping rooms, the collection period is each calendar quarter ending March 31, June 30, September 30 and December 31.

If the number of sleeping rooms available for rent is normally 50 or more, but falls below 50 on a temporary basis, for example, due to certain rooms being under renovation, the collection period should be based on the number of sleeping rooms normally available for rent.

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19. In calculating the number of sleeping rooms for the purpose of determining the collection period, an operator who has more than one establishment may either group together as a unit, or consider separately, all establishments in which the operator provides accommodation.
20. For information on how to remit tourism levy to TRA, refer to the [‘Making payments to Tax and Revenue Administration’](#) page of the Government of Alberta website.
21. If a remittance is late or insufficient, interest will be charged on the unpaid balance from the day on which the tourism levy was to be remitted until the day TRA receives it. Interest payable is simple interest calculated at the respective prescribed interest rate posted on the [Tax, levy, and prescribed interest rates](#) page of the Government of Alberta website.

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## Refunds

22. An operator who has collected from a purchaser tourism levy in an amount greater than required must refund the overpayment to the purchaser as soon as reasonably possible or within the time specified by TRA in a written notice. In such circumstances, if the amount that was refunded to the purchaser had already been remitted to TRA, the operator may deduct the amount of the refund from the next remittance payable to TRA.
23. An operator may claim a refund of tourism levy that was remitted in respect of accommodation purchased on credit, where all or a portion of the amount of the debt in respect of the purchase is a bad debt. A bad debt is a debt owing to an operator that has become uncollectible and that has been included in calculating the operator’s income for the current or a preceding taxation year for purposes of the *Income Tax Act* (Canada). In general, a debt is not considered to be uncollectible unless the operator has exhausted all reasonable efforts to collect the debt and, in the case of a bankruptcy or receivership of a debtor, has filed a claim with the trustee or receiver that includes the amount of tourism levy owing shown separately.
24. An application for a refund must be made through [TRACS](#). The claim should be reported on the ‘Adjustment’ line of the tourism levy return, along with a brief description of the adjustment, for example, ‘tourism levy on a bad debt’. TRA will review the claim and contact the operator if additional information is required. A claim for a refund must be supported by invoices and other records required to prove the claim. Supporting documentation does not need to be submitted to TRA at the time the application for a refund is made, but it must be provided upon request. If requested, supporting documentation may be uploaded to [TRACS](#) using the ‘Submit Document’ function.
25. An application for a refund of a bad debt must be received by TRA within one year after the earlier of the date a notice of bankruptcy or notice of the appointment of a receiver is received by the operator, and the date the debt was written off as a bad debt in the operator’s books.
26. TRA will not pay a refund if it is determined that the operator claiming the refund misrepresented a material fact.
27. TRA does not pay interest on refunds or any other amounts payable by TRA.

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## Filing Returns

28. An operator is required to file a tourism levy return for each collection period. The tourism levy return must be filed electronically through [TRACS](#) unless TRA has advised the operator in writing that a particular return may be filed using another method.
29. A return must be filed and received by TRA on or before the 28<sup>th</sup> day after the end of each collection period. If the filing due date is on a weekend or government holiday, the return will still be considered filed on time if it is received by TRA on the next business day. For additional information on collection periods, refer to the [‘Remitting the Tourism Levy’](#) section.
30. Subject to the [‘Providing Accommodation Through an Online Broker’](#) section, an operator must file a return even if no accommodation was provided or purchased during the respective collection period, unless TRA has advised the operator in writing that a particular return does not have to be filed.
31. If a return is not filed as and when required by the Act, TRA may assess a late-filing penalty as follows:

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- for a return that is filed within four days from the required filing date, \$25 for each day of default, or
  - for a return that is filed after four days from the required filing date, the lesser of \$25 per day or the unpaid tourism levy at the required filing date, with a minimum of \$100 (regardless of the amount of unpaid tourism levy) and a maximum of \$1,000.
32. Interest is payable on an unpaid penalty from the day the penalty was assessed until the day TRA receives it.
33. For additional information on how to access [TRACS](#) and file returns electronically, refer to the [Tourism Levy](#) page of the Government of Alberta website.

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## Providing Accommodation Through an Online Broker

34. Notwithstanding the various obligations imposed on operators, as explained in the [‘Registering for Tourism Levy’](#), [‘Collecting the Tourism Levy’](#), [‘Remitting the Tourism Levy’](#) and [‘Filing Returns’](#) sections, different administrative rules may apply to an online broker and to a person who provides accommodation through an online broker, as explained below.

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## Online Brokers and Online Marketplaces

35. A person may enter a contract with an online broker (or with more than one online broker) whereby the person lists lodging on the online broker’s online marketplace.
36. An ‘online broker’ is a person or entity that operates an online marketplace. An ‘online marketplace’ is a digital accommodation platform through which the provision of accommodation located in Alberta is facilitated, and by which payment for the accommodation is collected on behalf of an operator. For example, a website (other than a person’s own website) used by public purchasers to book and pay for accommodation is an online marketplace.

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## Operators and Accommodation Hosts

37. An operator may enter into a contract with an online broker whereby the operator lists lodging on the online broker’s online marketplace. The operator remains responsible for filing returns and remitting the tourism levy in respect of the accommodation purchased through the online broker’s online marketplace. However, the way in which the tourism levy is collected may depend on the contractual terms between the operator and online broker. For example, a purchaser may be required to pay the tourism levy directly to the operator, or the online broker may collect the tourism levy from the purchaser at the time the accommodation is purchased and then forward it to the operator.
38. For the purpose of registering with TRA, an operator who provides accommodation through an online broker is referred to as an [‘accommodation host’](#). This term includes an operator who provides accommodation through an online broker, as well as through another method (such as through the operator’s own website, in-person or over the telephone).

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## Authorized Online Brokers

39. The Act empowers TRA to authorize an online broker to collect and remit the tourism levy, and file returns, on behalf of operators who provide accommodation through the online broker’s online marketplace. However, currently there are no online brokers who have been authorized to do so. An online broker who desires to become authorized to collect and remit the tourism levy on behalf of operators should [contact](#) TRA.

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## Collection Periods

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40. The collection period of an operator/accommodation host is normally determined in accordance with the information explained in the [‘Remitting the Tourism Levy’](#) section, which depends on the number of sleeping rooms available for rent.
41. However, an accommodation host who provides lodging only in a residential unit is required to report and remit tourism levy only in respect of the collection periods (months or calendar quarters) in which tourism levy payable is received from an online broker or collected directly from a purchaser. In general, a ‘residential unit’ includes a house, cottage or another similar dwelling, a duplex or townhouse, an apartment or condominium, and the part of a multi-use building that is used for a residential purpose.

*For example, a person buys a four-bedroom house in Medicine Hat to be used as a short-term rental property for various vacationers throughout the year. The person enters into a contract with an online broker to list the house for rent on the online broker’s online marketplace. In this case, the person is required to register as an accommodation host, file returns and remit the amount of tourism levy collected (which, in this example, is collected by the online broker and forwarded to the accommodation host in accordance with the contractual terms between the parties). However, the person is only required to file returns and remit the tourism levy in respect of the calendar quarters in which the online broker forwards the tourism levy to the person. This is because the house is a ‘residential unit’, which is the only type of lodging being provided. The collection period is on a calendar quarterly basis because there are less than fifty sleeping rooms in the house.*

42. For additional information on the definition of ‘residential unit’, refer to the Accommodation section of [Information Circular TL-1. Overview of the Alberta Tourism Levy Program](#).

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## Exceptions Where Tourism Levy Does Not Apply

43. Notwithstanding any other registration, collection, remitting or filing obligations imposed under the Act, a person is not required to register, collect and remit tourism levy, nor file returns, in respect of lodging to which tourism levy does not apply on account of the lodging being excluded from the definition of accommodation. The following lodging is excluded:

- Lodging that is occupied by the same individual continuously for a period of 28 days or more.

*For example, a person owns a condominium in Calgary. The person does not ordinarily live in the condominium, but rather rents it to a tenant under an annual lease agreement. In this case, the person is not required to register, collect and remit tourism levy, nor file returns in respect of the condominium because the lodging provided is excluded from the definition of accommodation for the purposes of the Act. Accordingly, tourism levy does not apply.*

- Lodging that is not listed on an online marketplace (other than a person’s own website) and for which the purchase price for the unit of lodging is less than \$30 per day, or less than \$210 per week.

*For example, a person owns a house in Fort McMurray. The person ordinarily lives in the house but rents a spare bedroom to a friend for \$25 per day. In this case, the person is not required to register, collect and remit tourism levy, nor file returns in respect of the bedroom because the lodging provided is excluded from the definition of accommodation for the purposes of the Act. Accordingly, tourism levy does not apply.*

- Lodging that is provided by a person who does not list the lodging on an online marketplace (other than the person’s own website) and whose gross revenue from the provision of lodging in Alberta in the previous 12 months was less than \$5,000, and whose gross revenue from the provision of lodging in the next 12 months is reasonably estimated to be less than \$5,000.

*For example, a person owns a one-storey bungalow with a basement suite in Lethbridge. The person ordinarily lives on the main floor of the house, and periodically provides short-term lodging to vacationers in the basement suite. Gross revenue from the rental of the suite was less than \$5,000 in the previous 12 months and is not reasonably estimated to be greater than \$5,000 in the next 12 months. In this case, the person is not required to register, collect and remit tourism levy, nor file returns in respect of the suite because the lodging provided is excluded from the definition of accommodation for the purposes of the Act. Accordingly, tourism levy does not apply.*

44. Unless another exception applies, the exclusions set out in the second and third bullets of the immediately preceding paragraph do not apply if a person lists lodging on an online marketplace, other than the person’s own website.

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Accommodation listed on an online marketplace, other than the person's own website, is subject to the tourism levy regardless of the amount of the daily or weekly purchase price, and regardless of the amount of gross revenue earned.

45. Even if a person does not list lodging on an online marketplace, the person must register, collect, and remit tourism levy, and file returns if gross revenue from the provision of lodging in Alberta in the previous 12 months was greater than \$5,000, or if the revenue is reasonably estimated to be greater than \$5,000 in the next 12 months, as the lodging is no longer excluded from the definition of accommodation. Note that the 12-month period may not follow the calendar year of January to December.

*For example, a person owns a house with a basement suite in Edmonton. The person ordinarily lives on the main floor of the house but periodically provides short-term lodging to vacationers in the basement suite. The person determines that gross revenue from the rental of the suite will exceed \$5,000 during the 12-month period beginning June 1 of the prior year and ending May 31 of the current year. The determination may be based on amounts received during that period, or reasonably estimated to be received by the end of May of the current year based on confirmed bookings. In this case, the person is required to register as an operator in May of the current year. Effective as of the date of registration, and for future collection periods, the operator must collect and remit tourism levy and file returns in respect of the accommodation provided.*

46. A registered operator, whose gross revenue from the provision of lodging is reasonably estimated to be less than \$5,000 in future years, should [contact](#) TRA for assistance in determining whether their registration may be cancelled based on their particular circumstances.
47. For additional information on the definition of 'accommodation', including a list of the types of lodging to which tourism levy does not apply, refer to [Information Circular TL-1, Overview of the Alberta Tourism Levy Program](#).

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## Assessments

48. An operator or accommodation host (registrant) who files a return electronically through TRACS may log into the system to view the amount of tourism levy assessed and the payment received by TRA for each collection period. A Notice of Assessment may be issued to reflect adjustments made during processing, including accrued interest on unpaid amounts.
49. TRA may assess tourism levy that is payable by a purchaser or was required to be remitted by a registrant, as well as interest and penalties, within four years from the day the tourism levy became payable or was required to be remitted. However, TRA may assess at any reasonable time if a purchaser or a registrant has made any misrepresentation that is attributable to neglect, carelessness or wilful default, committed a fraud in making a return or in supplying information under the Act, or has failed to disclose any relevant information.
50. Where a person owes an amount under the Act and TRA is of the opinion that the reason the amount is owing is attributable to neglect, carelessness or wilful default by or on behalf of the person, or the reason the amount is owing is attributable to fraud or evasion committed by or on behalf of the person, the Minister may determine the amount owing and assess a penalty equal to 50% of the amount owing.
51. Where an operator or accommodation host has over-collected tourism levy from a purchaser and fails or refuses to refund the overpayment, TRA may assess a penalty equal to the amount of the payment, to a maximum of \$500.

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## Collection Procedures

52. Tourism levy, penalties, interest and other amounts owing under the Act are debts recoverable by Alberta in an action in debt.
53. Normally a person assessed under the Act (whether a purchaser or a registrant) has 30 days to pay the assessed amount, and TRA may send a reminder notice within that 30-day period. If the person does not pay the assessed amount in full or does not otherwise make satisfactory payment arrangements with TRA, a demand may be sent to the person. A demand informs the person that legal action may result if payment, or satisfactory arrangements for payment, is not made by a particular date or within a particular period, as specified in the demand.
54. A person who is unable to pay as and when required, and seeks an extension of time to pay, must contact the Filing Compliance and Collections unit of TRA by email to [tf.sco@gov.ab.ca](mailto:tf.sco@gov.ab.ca). An extension may be granted if TRA agrees

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that immediate payment would result in extreme hardship. To assess a person's ability to pay, TRA may request additional information, including bank statements, financial statements or other relevant documents. In any event, interest will continue to accrue on all unpaid balances.

55. If a person who owes an amount under the Act is unable to make an immediate payment in full, TRA may accept security for payment if doing so is considered advisable in the circumstances. The cost of providing security is borne by the person. The acceptance of security by TRA does not relieve the person from the obligation to pay amounts owing in accordance with any arrangements agreed to by TRA, nor does it relieve interest from continuing to accrue on all unpaid balances. A request for the return of security held by TRA must be made in writing. Security may be returned only to the extent that its value exceeds amounts owing by the person.
56. If a person has a tourism levy refund owing from TRA, but also has a debt owing to TRA or to another Alberta government department, TRA may apply all or part of the refund to reduce the debt, rather than issuing the refund to the person.

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### Certificate of Amount Not Paid

57. If an amount owing under the Act has not been paid or has been paid only in part, TRA may issue a certificate stating the unpaid amount and file it with the Court of King's Bench of Alberta (Court). The certificate has the same force and effect as if it were a judgment of the Court. Once a certificate is filed, TRA may proceed to enforce payment of the amount owing including, for example, registering a Writ of Enforcement and seizing the debtor's assets.
58. All reasonable costs payable in respect of the filing of a certificate, including interest, are recoverable from the debtor in addition to the unpaid amount.

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### Third Party Demands

59. If TRA has knowledge or suspects that a third party is or will be, within one year, liable to make a payment to a debtor, TRA may require (demand) that the third party pay to TRA the amount that otherwise would be payable to the debtor.
60. If TRA has knowledge or suspects that within 90 days a bank, credit union, trust corporation, loan corporation or other similar person (institution) will lend or advance money to, or make a payment on behalf of, or make a payment in respect of a negotiable instrument issued by, a person that is indebted to the institution and has granted security in respect of the indebtedness, TRA may demand that the institution pay to TRA all or part of the amount that would otherwise be lent, advanced, or paid by the institution to the person.
61. If TRA has knowledge or suspects that within 90 days a person other than an institution (lender) will lend or advance money to, or make a payment on behalf of, a debtor that TRA knows or suspects
  - is employed by the lender, or is engaged in providing services or property to the lender, or will be within 90 days so employed or engaged, or
  - is not dealing at arm's length with a lender that is a corporation,TRA may demand that the lender pay to TRA all or part of the amount that would otherwise be lent, advanced, or paid by the lender to the debtor.
62. To intercept amounts under a demand, TRA must serve a written notice on the third party, institution or lender demanding that the money be sent to TRA. Such a demand may be served by TRA by personal service, email, registered or regular mail.
63. Amounts payable under a garnishee issued pursuant to a judgment of the Court are paid to the Court. However, under a third party demand, the amounts must be paid directly to TRA, and TRA does not share the amounts received with judgment creditors. If a third party, institution or lender fails to pay the amounts to TRA, and makes a payment to someone else, the third party, institution or lender is liable for the amount that should have been paid to TRA and will be required to retrieve the money that was paid to the other party in error.

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64. After service of a demand notice, a third party or institution is not entitled to set off any amount payable under the demand against an amount otherwise payable to the third party or institution.

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## Responsible Representatives

65. A trustee in bankruptcy, assignee, liquidator, administrator, receiver, receiver-manager or any similar person (collectively, responsible representative) who administers, winds up, controls or otherwise deals with the property or business of an operator must obtain a clearance certificate from TRA before distributing property over which the responsible representative has control.
66. A clearance certificate certifies that all amounts
- for which the operator is liable under the Act up to the date of the certificate, and
  - for the payment of which the responsible representative is or can reasonably be expected to become liable in the capacity as a responsible representative,
- has been paid or that security for the payment of the amounts has been accepted by TRA.
67. A responsible representative who distributes property without obtaining a clearance certificate is personally liable for the payment of the amounts set out in the immediately preceding paragraph, to the extent of the value of the property distributed, and TRA may assess the responsible representative for the amounts.

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## Transfers by Insolvent Persons

68. If a registrant transfers property to another person (transferee) with whom the registrant does not deal at arm's length at the time of the transfer, and the registrant is
- Insolvent or becomes insolvent because of the transfer, or
  - becomes insolvent because of the transfer together with one or more other transactions with the transferee,
- the transferee is jointly and severally liable with the registrant to pay the amount owing to TRA, to the extent that the fair market value of the property transferred exceeds the consideration given for the property.
69. Joint and several liability also applies to back-to-back transfers of property between non-arm's length persons. A transferee cannot avoid liability merely by transferring property to another non-arm's length person. However, for joint and several liability to apply, it must be reasonable to conclude that the subsequent transfer was undertaken to avoid payment of an amount owing to TRA. If so, each non-arm's length person in the series of transfers will become jointly and severally liable with the operator to pay the amount owing to TRA.

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## Amounts in Jeopardy

70. If there are reasonable grounds for TRA to believe that the collection of all or part of an assessed amount would be jeopardized by a delay in the collection of it, TRA may make an application to the Court seeking authorization to file a certificate before the 30-day period normally permitted for paying assessed amounts has elapsed. Unless the Court directs otherwise, an authorization granted by the Court must be served by TRA by personal service on the debtor within 72 hours after it is granted.

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## Liability of Directors

71. If a registrant that is a corporation does not remit tourism levy payable, the directors of the corporation (at the time the corporation was required to remit) are jointly and severally liable, together with the corporation, to pay the tourism levy owing and any related penalties or interest (the debt).
72. A director is not liable for the debt unless

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- a certificate for the debt has been filed in the Court and execution for that amount has been returned unsatisfied in whole or in part,
  - the corporation has commenced liquidation or dissolution proceedings, or has been dissolved, and a claim for the debt has been proved within six months after the earlier of the date of commencement of proceedings and the date of dissolution,
  - the corporation has made an assignment, or a receiving order has been made against it under the *Bankruptcy and Insolvency Act* (Canada), and a claim for the debt has been proved within six months after the date of the assignment or receiving order, or
  - a compromise or arrangement has been proposed under the *Companies' Creditors Arrangement Act* (Canada) in respect of the corporation.
73. An action or proceedings to recover an amount payable by a director cannot be commenced more than two years after the director last ceased to be a director of the respective corporation.
74. A director who has satisfied a claim in respect of a corporation's debt is entitled to a contribution from any other directors who were liable for the claim.

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## Records

75. A registrant must maintain and keep records showing all the information necessary to enable TRA to determine the amount of tourism levy required to be collected and remitted.
76. Records to be retained by an operator/accommodation host may include, but are not limited to
- copies of invoices or receipts provided to purchasers for the rental of accommodation, including the purchase price and amount of tourism levy shown separately,
  - guest registers or registration cards,
  - tour or block booking contracts or agreements,
  - revenue-reporting summaries and documents to support all revenue exempt from the tourism levy,
  - financial statements and supporting notes or schedules,
  - long-term room rental or lease agreements,
  - schedules detailing room charge rates, charges for meals and any other applicable service charges in respect of room rental charges that included meals or other services, and
  - copies of any contracts and room charge rates for similar accommodation in respect of accommodation provided free of charge to persons performing services for the operator.
77. Records must be kept at the registrant's place of business or residence in Alberta, or at any other place with the written approval of TRA.
78. Records must be kept for a period of four years after the end of the calendar year in which the records were created.

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## Inspections and Audits

79. TRA is authorized to conduct inspections, audits or examinations of records of a registrant to ensure that the Act is being complied with, and to determine whether tourism levy has been properly paid, collected and remitted. TRA may make copies of records as necessary.
80. A registrant must cooperate with TRA during an inspection, audit or examination and provide relevant records and information as required by TRA.
81. TRA may, for any purpose related to the administration or enforcement of the Act, demand that a registrant produce any information or document within a reasonable period. Such a demand will be made in writing and served on the registrant as necessary. If a registrant does not comply with the demand, TRA may apply to the Court for an order directing compliance.

Visit <https://www.alberta.ca/tourism-levy.aspx> for more information

## Waivers of Penalties or Interest

### Basis of Waiver

82. TRA recognizes there may be circumstances beyond a person's control that prevent the person from complying with the Act. In such circumstances, TRA may consider it appropriate to exercise its discretion in the application of penalties or interest, or TRA may exercise its discretion to waive or cancel all or any portion of penalties or interest that have been assessed under the Act. A waiver or cancellation of penalties or interest is intended to provide relief in circumstances not covered by the Act or administrative policy and should be used as a last resort.
83. In considering a request for a waiver of penalties or interest, TRA generally considers extraordinary circumstances, administrative delay or error, or financial hardship. However, these circumstances are merely guidelines and TRA will consider all the relevant facts of a particular case when determining whether a waiver should be granted. In general, penalties that relate to false statements made knowingly or through negligence, carelessness, or wilful default will not be waived.
84. If a disputed liability relates to the application of the Act, a Notice of Objection should be filed, rather than a waiver. For information on filing a Notice of Objection, refer to the ['Objections'](#) section.

### Extraordinary Circumstances

85. TRA may waive penalties or interest if extraordinary circumstances prevented a purchaser or registrant from complying with the Act, for example,
  - natural disasters, such as floods or fires,
  - personal tragedies, such as a serious illness, accident, or death of the person (or in the family of the person) that oversees and ensures compliance with the Act,
  - civil disturbances or disruptions in services, and
  - public health emergencies.
86. In all cases, TRA must be satisfied that, despite the extraordinary circumstances, the purchaser or registrant made all reasonable efforts to comply with the Act. Doing so includes filing returns and remitting tourism levy on time. If a registrant fails to file a return or remit tourism levy by the due date, and the extraordinary circumstances leading to the request for a waiver of penalties or interest did not occur until after the due date, TRA may not waive the penalties or interest.

### Administrative Delay or Error

87. TRA may waive penalties or interest if the purchaser or registrant can establish that TRA's actions were in error or were the primary cause of the delay, for example,
  - processing delays by TRA that result in a purchase or registrant not being informed within a reasonable time of an amount owing,
  - unreasonable delays in resolving objections or appeals, or in completing an inspection, audit or examination,
  - incorrect advice or action in response to a purchaser's or registrant's enquiry or request,
  - errors in information provided by TRA in publications or forms, and
  - new interpretations of law by TRA after a return was filed in reliance on a previous interpretation.

### Financial Hardship

88. TRA will consider waiving interest when substantial interest has accumulated or is expected to accumulate for a purchaser or registrant confirmed to be unable to pay all amounts owing.

89. TRA will consider waiving interest accumulated over the course of an extended payment agreement that was based on the purchaser's or registrant's inability to pay. The waiver will apply only if the purchaser or registrant maintains its payment schedule and complies with the Act.
90. Normally penalties will not be waived based on financial hardship unless it is determined that enforcing payment of the penalties would jeopardize the continued operation of a registrant's business, the jobs of its employees, or the welfare of the community.
91. Prior to approving an application for a waiver of penalties or interest based on financial hardship, TRA requires full financial disclosure from the applicant, including statements of income and expenses, and assets and liabilities.

### Exclusions

92. The Alberta tourism levy program operates on a self-assessing system that depends on voluntary compliance. Registrants are responsible for correctly calculating, collecting, reporting, and remitting tourism levy as and when required by the Act. Interest or penalties may be assessed when TRA detects and corrects errors in filed returns. This may not occur until a post-assessment review of the return is made, which could be several months or years after the initial assessment. In these cases, the assessed penalties or interest may not be waived on account of the delay unless the delay was considered unreasonable.
93. Normally penalties or interest will not be waived for errors or delays caused by the registrant or its representatives on account of lack of knowledge, misrepresentation or misapplication of the provisions of the Act.
94. A postal strike is not normally sufficient reason for TRA to waive interest on a late payment because payments can be made electronically. For information on how to remit tourism levy to TRA, refer to the '[Making payments to Tax and Revenue Administration](#)' page of the Government of Alberta website.

### Other Considerations

95. Before an application for a waiver of penalties or interest is approved, TRA considers how the applicant has conducted business with TRA, including the purchaser's or registrant's history of compliance with the Act, efforts made to prevent the liability or take corrective action, and the amount of care taken in conducting its affairs under the self-assessing system.
96. An applicant should not seek relief from penalties or interest by more than one method at any one time. If an applicant has filed a Notice of Objection, has appealed to the Court, or has otherwise requested a reassessment, that applicant should not concurrently seek a waiver of penalties or interest on the same issue.

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### Application Process

97. To request a waiver of penalties or interest, a person should complete and submit a [Request for a Waiver of Penalties and Interest \(Form AT4764\)](#). The request should include reasons why the penalties or interest should be waived, supported by a chronology of events (as applicable), as well as a description of all previous contacts with TRA or other areas of Alberta Treasury Board and Finance on the matter, if any.
98. The completed form or a written request may be emailed to [tra.revenue@gov.ab.ca](mailto:tra.revenue@gov.ab.ca) to the attention of the Tax Services Branch, or may be mailed to  
  
ALBERTA TREASURY BOARD AND FINANCE  
TAX AND REVENUE ADMINISTRATION  
TAX SERVICES BRANCH  
9811 109 STREET NW  
EDMONTON AB T5K 2L5
99. An application for a waiver of penalties or interest must be submitted to TRA within four years from the end of the calendar year in which the penalty or interest was assessed.
100. Before an application for a waiver of penalties or interest is approved, TRA may contact the applicant and ask for additional information or documentation to be provided. TRA will review the application in detail and consider all relevant factors. The applicant will be informed of the decision in writing.

Visit <https://www.alberta.ca/tourism-levy.aspx> for more information

101. Any resulting changes to penalties or interest will be made through an adjustment to the person's account, or through reassessment. Interest will not be paid on refunded amounts.

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## Dispute Options

### Second Administrative Review

102. If an application for a waiver of penalties or interest is partially approved or denied, the applicant cannot object to TRA's decision. However, if the applicant believes that TRA's discretion was not properly exercised, the person may request that TRA reconsider the original decision. During the second review, the applicant will have the opportunity to make additional representations to TRA for consideration.
103. A written request for a second review may be sent to TRA by email or regular mail at the addresses set out in the ['Application Process'](#) section.
104. Tax Services Branch staff not involved in the review of the first application for a waiver of penalties or interest will perform the second review to ensure impartiality.
105. The applicant will be informed of the second decision in writing.

### Judicial Review

106. If the purchaser or registrant disagrees with either of TRA's decisions in respect of a waiver of penalties or interest, an application for judicial review may be filed with the Court within six months from the day TRA notified the purchaser or registrant of the decision. The purchaser or registrant should obtain professional advice or contact the Court for information on how to make an application for judicial review.

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## Voluntary Disclosure Program

107. TRA encourages self-assessment of tourism levy and welcomes submissions that show intent to voluntarily correct previous contraventions of the Act. Through the Voluntary Disclosure Program, purchasers and registrants can make an application to correct inaccurate or incomplete information, or to disclose information not previously reported. Under this program, TRA has the authority to grant relief from any penalty or interest imposed under the Act. For additional information on making a voluntary disclosure, refer to [Information Circular TRA-3, Voluntary Disclosures](#).

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## Objections

108. A purchaser or registrant who disagrees with an assessment or other notice under the Act should first [contact](#) TRA for an explanation, as many disputes can be resolved through discussion or exchange of additional information. However, if the dispute cannot be resolved through discussion with TRA and the person still disagrees with the basis of the assessment or other notice, the person may formally object to the assessment or other notice by filing a Notice of Objection in accordance with the ['Application Process'](#) section.
109. A Notice of Objection may be filed by
- a purchaser or registrant in respect of an assessment of tourism levy, interest or a penalty,
  - a person in respect of not being registered,
  - a registrant in respect of a registration being suspended or cancelled,
  - a responsible representative in respect of an assessment of an amount owing further to the distribution of property, or
  - a person in respect of an assessment of an amount owing further to a transfer of property by an insolvent operator.

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## Application Process

Visit <https://www.alberta.ca/tourism-levy.aspx> for more information

110. A Notice of Objection must be filed using the prescribed form, either in hard copy or electronically through [TRACS](#). For information on filing a Notice of Objection online, refer to the 'How to object' section of the [Tourism levy](#) page of the Government of Alberta website.
111. A Notice of Objection must be served on TRA within 90 days after the day TRA sends the applicable assessment or other notice. If a Notice of Objection is served by registered mail, the date of registering the mail must be within the 90-day deadline. The date TRA receives the Notice of Objection applies when the Notice of Objection is served by any other means of service, including through [TRACS](#).
112. A separate Notice of Objection must be filed for each assessment or other notice to which an objection is made.
113. A hard copy [Notice of Objection \(Form AT4762\)](#) may be emailed to [tra.revenue@gov.ab.ca](mailto:tra.revenue@gov.ab.ca) to the attention of the Tax Services Branch, or may be sent by registered mail to

ALBERTA TREASURY BOARD AND FINANCE  
TAX AND REVENUE ADMINISTRATION  
TAX SERVICES BRANCH  
9811 109 STREET NW  
EDMONTON AB T5K 2L5

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### Extension of Time to File

114. If a person has not filed a Notice of Objection within 90 days after the day TRA sends the applicable assessment or other notice, the Act allows the person to apply for an extension of time to file an objection. The application for an extension of time must be accompanied by a copy of the objection and served on TRA within one year from the expiration of the 90-day deadline for serving the objection.
115. An application for an extension of time must set out the reasons why the Notice of Objection was not served within the 90-day deadline and demonstrate that
  - within the time limit for filing the objection, the purchaser, person or registrant was unable to act or to instruct another to act in their name, or that they intended in good faith to object,
  - given the reasons set out in the application for the extension and the circumstances, it would be just and equitable for TRA to grant the extension, and
  - the application was made as soon as circumstances permitted.
116. An application for an extension of time may be sent to TRA by email or regular mail at the addresses set out in the ['Application Process'](#) section. If the application is sent by registered mail, the date of registering the mail must be within the specified period (within one year after the expiration of the 90-day deadline for serving the Notice of Objection). The date TRA receives the application applies when the application is served by any other method.
117. If an application for an extension of time is refused, or if TRA has not replied to the request within 90 days of being served, the Act allows an application to be made to the Court to have the extension granted.

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### Review Process

118. A complete Notice of Objection received by TRA within the required deadline is assigned to a Tax Analyst of the Tax Services Branch with no previous involvement in the matter to ensure impartiality. The Tax Analyst will review the objection and make a recommendation for how it should be resolved. During the review, the Tax Analyst may contact the objector and ask for additional information or documentation to be provided.
119. A Director of the Tax Services Branch will consider the recommendation made by the Tax Analyst and will vacate, confirm or vary the action or decision taken by TRA, or serve a new Notice of Assessment, and notify the objector of TRA's decision in writing by registered letter or personal service.

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Visit <https://www.alberta.ca/tourism-levy.aspx> for more information



## Appeals

120. If an objector indicates in a Notice of Objection the desire to appeal to the Court immediately, and waives reconsideration of the action by TRA, then TRA may file a copy of the Notice of Objection with the Court and notify the objector in writing.
121. Otherwise, a purchaser, person or registrant who has served a Notice of Objection on TRA may appeal to the Court have the action or decision taken by TRA vacated or varied after TRA has confirmed or varied the action. An appeal to the Court must be made within 90 days from the day TRA notified the purchaser, person or registrant of the decision in respect of the objection. However, a purchaser, person or registrant may also appeal to the Court if 90 days have passed after the Notice of Objection has been served and TRA has not notified the purchaser, person or registrant of TRA's decision.
122. An appeal to the Court is made by filing a Notice of Appeal with the clerk of the Court and serving a copy of the filed Notice of Appeal on TRA by registered mail, together with a copy of the respective Notice of Objection.
123. The Court may, in hearing an appeal,
- dismiss the appeal, or
  - allow the appeal and vacate, vary or restore the assessment, or refer the assessment back to TRA for reconsideration.
124. In respect of a refusal to register, or a suspension or cancellation of a registration, the Court may
- dismiss the appeal, or
  - allow the appeal and direct that the registration be granted or reinstated, or that the suspension be removed.
125. The Court may also order the payment or repayment of tourism levy, interest, penalties or other costs.

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## Offences

126. A person convicted of an offence under the Act is liable to a fine, imprisonment, or both. Penalties related to offences are court-imposed. Maximum fines, and the term of imprisonment that may be imposed on individuals, are specified in the Act and depend on the nature of the offence.
127. It is an offence under the Act for a registrant or its representative to
- make false statements on returns, destroy or alter documents required to be maintained under the Act, wilfully evade compliance with the Act, or wilfully claim or attempt to claim a refund greater than that to which the claimant is entitled,
  - fail to file a return or provide information when required, or
  - fail to collect or remit the tourism levy as and when required.

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