



Tourism Levy Act

Special Notice Vol. 7 No. 17

Special Arrangements Between Online Brokers and Operators/Accommodation Hosts

Issued: June 26, 2023

Important Information

This special notice 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 special notice and governing legislation, the legislation takes precedence.

Responsibilities of Online Brokers Effective July 1, 2023

As explained in [Special Notice Vol. 7 No. 16, Providing Accommodation Through an Online Broker](#), effective July 1, 2023, an online broker, whose clients provide accommodation in Alberta through the broker's online marketplace, is required to register with TRA and will be required to collect, report and remit the tourism levy for all bookings made through their online marketplace.

An online broker or operator/accommodation host who desires to have the operator/accommodation host collect and remit tourism levy, and/or file returns, in respect of purchases of accommodation made through the respective online marketplace, may enter a special arrangement as explained in the 'Special Arrangements' section, below.

Special Arrangements

Notwithstanding the legislated requirement for an online broker to collect and remit the tourism levy on behalf of its clients in respect of accommodation in Alberta purchased through the respective online marketplace, an online broker and an operator/accommodation host may enter a special arrangement to have the operator/accommodation host fulfill any or all of the obligations otherwise imposed on the online broker. For example, an online broker and an operator/accommodation host may enter an agreement effective July 1, 2023 or later whereby the operator/accommodation host agrees to collect tourism levy directly from purchasers, and then report and remit that tourism levy to TRA, rather than having the online broker do so.

For a special arrangement to be valid, all of the following circumstances must be met:

- the online broker and operator/accommodation host must jointly enter a written agreement dated effective July 1, 2023 or later specifying the obligations to be undertaken by each party, including which party is responsible for collecting, reporting and remitting the tourism levy;
- the online broker must prepare a listing of all special arrangements (Listing) entered or cancelled during each calendar quarter;
- the Listing must include the operator/accommodation host's
 - account number (as assigned by the online broker),
 - legal name of operator/accommodation host (first/last name or corporation name, if applicable),
 - contact person,
 - email address of each operator/accommodation host with whom the online broker has entered a special arrangement,
 - the start date of the special arrangement,
 - the end date of the special arrangement (if applicable), and
 - specific details as to which obligations of the online broker are to be undertaken by the operator/accommodation host;
- the online broker must upload the Listing to [TRACS](#) using the 'Submit Document' function on or before the 28th day after the end of the respective calendar quarter; and
- the total purchase price of the respective accommodation stated on the online broker's online marketplace must include the tourism levy.

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

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The written agreement between the online broker and operator/accommodation host may be made in various forms at the discretion of the parties. [Appendix I](#) includes a sample written agreement made by email between the parties as initiated by an operator/accommodation host. An online broker does not need to provide copies of the written agreements entered between the online broker and each operator/accommodation host, but the agreements must be provided to TRA upon request.

Effect of Special Arrangements

With respect to accommodation provided through an online broker, the operator/accommodation host and the online broker are normally jointly and severally liable for any tourism levy, penalty or interest related to an online broker's failure to fulfill its obligation to collect, remit and report on a return the tourism levy on behalf of the operator/accommodation host. However, where a valid special arrangement has been entered by an online broker and operator/accommodation host, the online broker will not be held liable for the failure of the operator/accommodation host to report or remit tourism levy as required under the terms of the special arrangement.

If an accommodation host is responsible for collecting and/or remitting tourism levy under a special arrangement with an online broker in respect of lodging that consists solely of one or more residential units, the accommodation host may report and remit tourism levy only in respect of the collection periods in which tourism levy is collected from the purchaser or received from the online broker under the special arrangement.

A special arrangement should be cancelled with a minimum of 30 days written notice from one party to the other, with a copy of the notice provided to TRA.

Additional Information

For an overview of Alberta's tourism levy program, including definitions of 'accommodation' and 'purchase price', and information on exemptions from the payment of tourism levy, refer to [Information Circular TL-1, Overview of the Alberta Tourism Levy Program](#). For additional information on registering under the tourism levy program, collecting and remitting tourism levy, filing returns, exceptions where tourism levy does not apply, and other administrative matters, refer to [Information Circular TL-2, Information for Operators and Online Brokers](#).

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APPENDIX I

Sample Email Agreement Between Online Broker and Operator/Accommodation Host

Subject: Request to Enter Special Arrangement to Collect, Report and Remit Tourism Levy

[Name of Operator/Accommodation Host] desires to enter an arrangement in accordance with section 3.2(3) of the *Tourism Levy Act* (Alberta) starting effective **[Day, Month, Year]** to fulfill the following obligations otherwise placed on **[Name of Online Broker]** pursuant to section 3.2(1) of the Act where a purchase of accommodation is made through **[Name of Online Marketplace]**:

- collect the tourism levy payable under the Act from the purchaser when the purchase is made,
- report the tourism levy payable as and when required by the Act, and
- remit that tourism levy as and when required by the Act and its regulations.

I understand that this arrangement will result in me being solely liable for any tourism levy, penalty, interest or other amount related to **[Name of Online Broker]**'s failure to fulfill the above-noted obligations in accordance with section 3.2(2) of the Act.

Please respond to this email and advise whether you accept or reject this special arrangement.

In accordance with the notification obligation placed on online brokers pursuant to section 3.2(4) of the Act, please provide Alberta Treasury Board and Finance, Tax and Revenue Administration with the following information:

- Account Number: **[Operator/Accommodation Host Account Number with Online Broker]**
- Name: **[First/Last Name or Corporation Name of Operator/Accommodation Host]**,
- Contact Person: **[Name of Operator/Accommodation Host Contact Person]**
- Email: **[Email Address of Operator/Accommodation Host]**
- Effective Date: **[Effective Start Date of Special Arrangement]**
- Obligations to be Fulfilled by Operator/Accommodation Host: **[Specific Details]**

Regards,

[Name of Operator/Accommodation Host's Authorized Individual]
[Name of Operator/Accommodation Host]

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