



Town of Trinity

Tourist Accommodation Tax By-law - By-Law No. 2025-01

BE IT ENACTED by the Council of the Town of Trinity under the authority of the *Towns and Local Service Districts Act*, SNL, Section 129, as follows:

Short Title

1. This By-law shall be cited as the “Tourist Accommodation Tax By-law”.

Interpretation

2. In this By-law:

- (a) "accommodation" means
 - (i) a building, part of a building or group of buildings containing one or more units and includes cabins, cottages and other permanent structures,
 - (ii) land maintained as grounds for tents, trailers, recreational vehicles or other temporary or seasonal structures,
 - (iii) a boat, or
 - (iv) any other real or personal property prescribed in the regulations;
- (b) "minister" means the minister appointed under the *Executive Council Act* to administer this Act;
- (c) "operator" means the owner or lessee of a tourist accommodation or other person in charge of the tourist accommodation;
- (d) “platform operator” means a person (including, for example AirBnb) who facilitates or brokers reservations for the short-term rental of roofed accommodations via the Internet and who receives payment, compensation or any other financial benefit in connection with a person making or completing reservations of such short-term rentals;
- (e) "primary residence" means a dwelling unit owned or rented by an individual, either alone or jointly with others, in which the individual is ordinarily resident;

- (f) "purchase price" means the price for which accommodation is purchased, including the price in money, the value of the services rendered, and other consideration accepted by the operator in return for the accommodation provided, but does not include the harmonized sales tax (HST);
- (g) "short term rental" means the provision of an accommodation for compensation to an individual or group of individuals for overnight lodging for a period of 30 days or less; and
- (h) "tourist accommodation" means an accommodation that is offered for short term rental to the traveling or vacationing public.
- (i) "Town" means the Town of Trinity;

Application

3. A Tourist Accommodation Tax is hereby imposed in the Town upon a person who, for a daily charge, fee or remuneration, purchases accommodation in the Town, the rate of which shall be three percent (3%) of the purchase price of the accommodation for the 2026 calendar year, increasing to four percent (4%) as on January 1, 2027.

Calculation of Tax

4. Where an operator or platform operator sells accommodation in combination with meals and other specialized services for an all-inclusive package price, the purchase price of the accommodations shall be deemed to be the purchase price of the accommodations when such accommodations are offered for sale in the same facility without such specialized services.

Exemption from Tax

5. The Tourist Accommodation Tax imposed by section 3 shall not apply to:

(a) The Crown, every agency of the Crown in right of Newfoundland and Labrador and every authority, board, commission, corporation, office, or organization of persons a majority of whose directors, members or officers are appointed or chosen by or under the authority of the Lieutenant

Governor in Council or a member of the Executive Council with respect to accommodations provided to individuals while working on official business;

(b) Every charitable, non-profit philanthropic corporation organized as shelters for the relief of the poor or for emergency accommodations;

(c) Every tent or trailer site supplied by a campground, camp or trailer park and operated by a non-profit organization;

(d) Every accommodation supplied by employers to their employees in premises operated by the employer;

(e) Every hospitality room in an establishment that does not contain a bed and is used for displaying merchandise, holding meetings, or entertaining;

(f) a person who pays for accommodation for which the daily purchase price is no more than twenty dollars (\$20.00); and

(g) a person who is accommodated in a room for more than thirty (30) consecutive days.

Agents

6.1 Subject to Section 3, a platform operator is deemed to be an agent of the Town for the purpose of collecting the Tourist Accommodation Tax from the purchaser and remitting it to the Town:

(a) In cases where an operator sells accommodation directly to customers without the use of a platform operator, the operator is deemed to be an agent of the Town for the purpose of collecting the Tourist Accommodation Tax from the purchaser and remitting it to the Town.

(b) The Town Clerk/Manager may designate additional tax collection agents for the Town and enter into agreements with designated collection agents and register short-term rental platforms as tax collection agents for the Town.

6.2 The tax imposed under this By-law, whether the price is stipulated to be payable in cash, on terms, by instalments or otherwise, must be collected at the time of the purchase on the total amount of the purchase price and must be remitted to the Town at the prescribed times in the prescribed manner.

7. If a person collects an amount as if it were a tax imposed under this By-law, the person must remit the amount collected to the Town at the same time and in the same manner as the tax collected under this By-law.

Return and Remittance of the Tax

8. The Town may, at any time, require a return of the accommodation tax collected by any person selling accommodation, or brokering or facilitating the sale of accommodation, such return to cover any period or periods.

9. Subject to the provisions of Section 8, unless otherwise directed by the Town, all operators shall make separate quarterly returns to the Town by either:

(a) platform operators for a tax collected under Section 4 of this By-law; or

(b) the operators themselves for a tax collected under Subsection 4(a) of this By-law.

For the purposes of this By-law, “quarterly” means the three-month periods ending on March 31st, June 30th, September 30th and December 31st respectively.

10.1 A separate return shall be made for each accommodation, unless a consolidated return has been approved by the Town.

10.2 Where a receipt, bill, invoice, or other document is issued by a person selling accommodation, the tax shall be shown as a separate item thereon.

11. Unless otherwise directed by the Town, the returns by platform operators and operators shall be made and the tax shall be remitted to the Town by the thirtieth (30th) day following the end of the quarter for which the tax was collected.

12. If a platform operator or operator during the preceding period has collected no tax, they shall nevertheless make a report to that effect on the prescribed return form.

13. Where an operator ceases to carry on, or disposes of, their business, they shall make the return and remit the tax collected within 15 days of the date of discontinuance or disposal.

Records

14. Every platform operator and operator shall keep books of account, records, and documents sufficient to furnish the Town with the necessary particulars of:

(a) sales of accommodation;

(b) amount of tax collected; and

(c) disposal of tax.

15. All entries concerning the tax in such books of account, records, and documents shall be separate and distinguishable from other entries made therein.

16. Every operator and platform operator shall retain any book of account, record or other document referred to in this section for seven (7) years after the end of the calendar year in which the tax was collected.

Audit

17.1 The Town and its agents, employees and/or officers may at any time audit and/or inspect accommodations and any property utilized in conjunction with accommodations to ensure the accuracy of information required to be provided to the Town under this Bylaw, including but not limited to the number of units in accommodations, occupancy of units of accommodations, rates charged to guests and revenue collected from accommodations.

17.2 The power of audit and inspection under section 17.1 shall include the accommodations and any units or parts thereof; any property used and/or occupied in conjunction with the accommodations; and any business records, financial records or other records of any kind or sort reasonably required in the opinion of the Town to verify information or remittances required to be made to the Town by law.

18. Failure of an owner or occupier to comply with this Bylaw may result in enforcement action by the Town, including but not limited to:

- a) Termination of any Business or Occupancy Permits issued to the property and/or accommodations;
- b) Collection of Tax on a deemed basis against the owner and/or occupier as a civil debt;
- c) Prosecution of the owner/occupier pursuant to the *Towns and Local Service Districts Act*, S.N.L. 2023, c. T-6.2, s. 289;
- d) An Order of Council for the accommodations to be shut down pursuant to the *Towns and Local Service Districts Act*, S.N.L. 2023, c. T-6.2, s. 285

Refund of Tax Written Off

19. The Town may refund to an operator or platform operator who sells accommodation a portion of the amount sent by the operator or platform operator to the Town in respect of tax payable on that sale under this By-law, if:

- (a) the operator or platform operator, in accordance with this By-law, remits the tax required under this By-law to be levied and collected for the sale; and

(b) the purchaser subsequently fails to pay to the operator or platform operator the full amount of the consideration and tax payable on that sale; and

(c) the operator or platform operator writes off as unrealizable or uncollectible the amount owing by the purchaser.

20. The operator or platform operator may deduct the amount of the refund payable to the operator or platform operator under this section from the amount of the tax that the operator or platform operator is required to remit under this By-law.

21. If an operator or platform operator who has obtained a refund under Section 19 or made a deduction under Section 20 recovers some or all of the amount referred to in Subsection 19(c) with respect to which the refund was paid or the deduction was made, the operator or platform operator must add an amount to the tax to be paid or remitted by the operator or platform operator under this By-law with respect to the reporting period in which the recovery was made.

Refund of Tax Collected in Error

22. If the Town is satisfied that a tax or proportion of a tax has been paid in error, the Town shall refund the amount of the overpayment to the platform operator or operator entitled.

23. If the Town is satisfied that a platform operator or operator has remitted to the Town an amount as collected tax that the platform operator or operator neither collected nor was required to collect under this By-law, the Town must refund the amount to the platform operator or operator.

Claim for Refund

24. To claim a refund under this By-law, a person must:

(a) submit to the Town an application in writing signed by the person who paid the amount claimed; and

(b) provide sufficient evidence to satisfy the Town that the person who paid the amount is entitled to the refund.

25. For the purposes of Subsection 24(a), if the person who paid the amount claimed is a corporation, the application must be signed by a director or authorized employee of the corporation.

Offence

26. A person who contravenes any provision of the By-law is guilty of offence punishable by summary conviction and on conviction is liable:

(a) on a first conviction, to a fine of not less than One Hundred Dollars (\$100.00 CDN) and not more than Five Hundred Dollars (\$500.00 CDN); and

(b) for a subsequent conviction for the same or another provision of this By-law, to a fine of not less than Two Hundred and Fifty Dollars (\$ 250.00 CDN) and not more than One Thousand Dollars (\$1,000 CDN).

Enforcement

27.1 Notwithstanding a conviction and fine under subsection 26, the Town may issue an order for compliance in accordance Section 285 of the *Towns and Local Service Districts Act, 2023*.

27.2 The Town may also use other means of enforcement such as the shut-off of water supply for properties so serviced by the Town; and/or make a request to the Government of Newfoundland and Labrador to suspend the operator from effectively carrying on business in the Province.

27.3 Failure of an owner or occupier to collect or remit the Tax in accordance with this Bylaw shall permit the Town to assess an appropriate amount of Tax based upon the number of units in the accommodation and a reasonable rate for the accommodations and shall be calculated on the basis of One Hundred Percent (100%) occupancy of the accommodations for the quarter.

27.4 Failure of an owner or occupier to collect Tax from a guest shall render the owner or occupier personally liable to pay the appropriate rate of Tax to the Town.

27.5 Failure of an owner or occupier to remit the Tax collected shall constitute a breach of trust pursuant to the agency authority under the provisions of the *Towns and Local Service Districts Act, S.N.L. 2023, c. T-6.2, s. 129(5)*, and may be collected as a civil claim from the owner or occupier personally.

27.6 Failure to collect or remit the Tax shall constitute a lien on the property in a like manner as an unpaid municipal business tax, pursuant to the *Towns and Local Service Districts Act, S.N.L. 2023, c. T-6.2, ss. 129(3)(f) and 144(b)*.

27.7 Unremitted or uncollected Tax, including on any penalties defined in this Bylaw, shall accrue interest at a rate of Three Percent (3%) per month, or Thirty-Six Percent Per Annum (36% p.a.), commencing on and accruing from the last day of the quarter for which Tax was to be remitted, and which interest shall be compound interest, pursuant to Towns and *Local Service Districts Act*, S.N.L. 2023, c. T-6.2, s. 111 and 129(3)(c).

Severability

28. A decision by a court that any part of this By-law is illegal, void or unenforceable severs that part and does not affect the enforceability of the remainder of the By-law.

Effective Date:

29. This By-law shall take effect from the 1st day of January 2026.

Read a first and second time and adopted by the Council of the Town of Trinity at a meeting held on the 3rd day of November 2025.

Mayor

Town Clerk/Manager