

**BY-LAW No. 2024-085  
OF THE  
CORPORATION OF THE TOWN OF COLLINGWOOD**



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**BEING A BY-LAW TO ESTABLISH A MUNICIPAL  
ACCOMMODATION TAX**

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**WHEREAS** section 400.1 of the *Municipal Act, 2001*, S.O 2001, c.25, (the “Act”) provides that the council of a local municipality may pass by-laws imposing a tax in respect of the purchase of transient accommodation within the municipality;

**AND WHEREAS** pursuant to section 400.1 of the Act and Ontario Regulation 435/17, Council of the Corporation of the Town of Collingwood wishes to establish the tax rate and to levy on the purchase of transient accommodation within the Town of Collingwood;

**AND WHEREAS** pursuant to section 400.1 (3) and 400.4 of the Act, Council can establish enforcement measures as Council considers appropriate if an amount assessed for outstanding tax, penalties or interest remains unpaid after it is due;

**AND WHEREAS** Council wishes to add the arrears of the Municipal Accommodation Tax (“MAT”), interest and penalties to the tax roll for the properties in the Town of Collingwood registered in the name of the Owner to be collected in like manner as property taxes and intends that such arrears shall constitute a lien upon the lands, provided that pursuant to section 400.4(2) of the Act, such lien shall not be a priority lien for the purposes of subsections 1(2.1), (2.2) and (3) of the Act and such lien will not have a higher priority than it would otherwise have in law in relation to other claims, liens or encumbrances;

**AND WHEREAS** pursuant to Section 434.1 of the Act, a municipality may require a person, subject to such conditions as the municipality considers appropriate, to pay an administrative penalty if the municipality is satisfied that the person has failed to comply with a by-law of the municipality;

**NOW THEREFORE COUNCIL OF THE CORPORATION OF THE TOWN OF  
COLLINGWOOD ENACTS AS FOLLOWS:**

**DEFINITIONS**

For the purposes of this By-law:

“**Accommodation**” means the following as set out in the Town’s Zoning By-law, as amended or superseded;

- (a) Hotel
- (b) Motel
- (c) Business Type Hotel or Motel
- (d) Short Term Accommodation, including Bed and Breakfast;

For further clarification, this includes:

- i. the use of a bedroom, a suite of rooms containing a bedroom, lock-off suite, guest room, or the use of a bed within a bedroom; and
- ii. the use of one or more additional beds or cots in a bedroom, guest room or suite;

“**Administrative Monetary Penalty**” means a monetary penalty imposed for a

contravention of the Town's Administrative Monetary Penalty By-law;

**"Agent"** means any third party contracted to deliver services on behalf of the Town;

**"Council"** means the Council of the Corporation of the Town of Collingwood;

**"Eligible Tourism Entity"** has the meaning as set out in the Ontario Regulation 435/17, as amended;

**"Establishment"** means the physical location, a building or part of a building that provides Accommodation;

**"Municipal Accommodation Tax" or "MAT"** means the tax imposed under this By-law;

**"Owner"** means the Person holding title to the real property on which the Accommodation is located, and **"Ownership"** has a corresponding meaning;

**"Provider"** means a person or an entity, including agents, hosts or others, that sells, offers for sale, or otherwise provides the Accommodation. Where the Provider cannot easily be determined, the Owner is deemed to be the Provider. Where a property that has an active Short Term Accommodation Licence, the licensee is deemed to be a Provider. Where a partnership or association is a Provider, its members are also Providers;

**"Person"** means an individual, a corporation, a partnership, or an association;

**"Purchaser"** means a person who purchases the use of Accommodation;

**"Purchase Price"** means the price for which the use of Accommodation is purchased, including the price paid, and/or other consideration accepted by the Provider in return for the Accommodation provided, but does not include the goods and services tax imposed by the Government of Canada or by the Province of Ontario;

**"Quarter"** means a period of three calendar months ending on March 31, June 30, September 30, or December 31.

**"Town"** means the Corporation of the Town of Collingwood.

### **Short Title**

1. This By-law may be referred to as the "Municipal Accommodation Tax Bylaw" or "MAT Bylaw".

### **Payment of MAT**

2. A Purchaser shall, at the time of purchasing the use of Accommodation, pay the MAT in the amount of four (4) percent of the Purchase Price of Accommodation provided for a continuous period of 28 days or less provided in a hotel, motel, motor hotel, lodge, inn, bed and breakfast, Short Term Accommodation, dwelling unit or any place in which Accommodation is provided.
3. The continuous period referred in Section 2 is not disrupted by the purchase of different rooms, suites, beds or other lodging in the same Establishment or Short Term Accommodation in the course of the continuous period.

### **Exemptions**

4. The MAT imposed under this By-law does not apply to:
  - (a) The Crown, every agency of the Crown in right of Ontario 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;

- (b) Every board as defined in subsection 1(1) of the *Education Act*;

Every university in Ontario and every college of applied arts and technology and post-secondary institution in Ontario whether or not affiliated with a university, the enrolments of which are counted for the purposes of calculating annual operating grants entitlements from the Crown on accommodations provided to students while the student is registered at and attending the institution;

- (c) Every hospital referred to in the list of hospitals and their grades and classifications maintained by the minister of Health and Long-Term Care under the *Public Hospitals Act* and every private hospital operated under the authority of a license issued under the *Private Hospitals Act*;

- (d) Every long-term care home as defined in subsection 2(1) of the *Long-Term Care Homes Act, 2007* and hospices;

- (e) Every hotel or motel room or suite used by the County of Simcoe or its agents for shelter purposes;

- (f) Every treatment center that receives private funding, or provincial aid under the *Ministry of Community and Social Services Act*;

- (g) Every house of refuge, or lodging for the reformation of offenders;

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

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

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

- (k) An Owner's use of a timeshare or fractional ownership property.

5. The MAT imposed under this By-law only applies to the Purchase Price and does not apply to incidental fees and charges not related to the room rate such as meals, room service and meeting space.

### **Collection and Remittance**

6. A Provider shall collect the MAT from the Purchaser at the time the use of the Accommodation is purchased.
7. The amount of the MAT shall be identified as a separate item or charge on a bill, receipt, invoice or similar document issued by the Provider in respect of the Accommodation on which the tax is imposed and the item shall be identified as "Municipal Accommodation Tax".
8. A Provider shall, on or before the last day of every month, remit to the Town, or its agent, for the amount of the MAT collected for the previous month and submit the monthly statements in the form required by the Town, or its agent, detailing the number of Accommodation(s) sold, the purchase price of each Accommodation, the MAT amount collected and any other information as required by the Town, or its agent, for the purposes of administering and enforcing this By-law.

9. Notwithstanding Section 8, a Short Term Accommodation licensees shall on or before the last day of the month following the previous Quarter end, remit to the Town, or its agent, for the amount of the MAT collected for the previous Quarter and submit the Quarterly statements in the form required by the Town, or its agent, detailing the number of Accommodation(s) sold, the purchase price of each Accommodation, the MAT amount collected for each Accommodation and any other information as required by the Town, or its agent, for the purposes of administrating and enforcing this By-law.
10. The Owner shall provide the Town with advance or immediate notice of any changes of Ownership or change of Provider of the Accommodation; and will ensure any amounts owing be paid to the Town prior to the change in Ownership or change in Provider. In the event that the Owner or Provider ceases operations, the Owner is required to immediately advise the Town.
11. When a due date falls on a Saturday, a Sunday, or a public holiday recognized by the Canada Revenue Agency, the payment is considered on time if received on the next business day.

### **Interest Penalties**

12. A compounding percentage charge of 1.25 per cent of the amount of the MAT due and unpaid shall be imposed as a penalty for the non-payment of taxes on the first day of default based on the full occupancy of the Establishment, unless the actual amount of the MAT owing can be determined by the Town or its agent; in that case, the percentage charge of 1.25 per cent of the actual amount of the MAT will be imposed.
13. A compounding interest charge of 1.25 per cent each month of the amount of the MAT due and unpaid, shall be imposed for the non-payment of taxes on the first day of each month and subsequent months following the first day of default.

### **Audit and Inspection**

14. The Provider shall keep books of account, records, and documents sufficient to furnish the Town, or its agent, with full particulars of sales of Accommodation(s), amount of MAT collected and remitted.
15. The Town, or its agent, may inspect and audit all books, documents, transactions and accounts of the Provider and require the Provider to produce copies of any documents or records relating to the Accommodation or to the administration or enforcement of this By-law.
16. The Provider shall keep all documents and records in a good business-like manner for a minimum of two (2) years from the date of the Accommodation.

### **Administrative Penalties**

17. The Town's Administrative Monetary Penalty By-law applies to this By-law.
18. Every Person who contravenes a provision of this By-law shall, upon issuance of a penalty notice in accordance with the Town's Administrative Monetary Penalty By-law, be liable to pay the Administrative Penalty in the amount specified in that By-law.
19. No Person who is issued a penalty notice under the Town's Administrative Monetary Penalty By-law shall be charged with an offence for the same contravention under the *Provincial Offences Act*, R.S.O. 1990, c. P.33, as amended.

### **Other Penalties**

20. Every Person who contravenes any provision of this By-law is guilty of an offence and, in addition to being liable for payment of the penalty imposed by Section 12 or 13, is liable to a fine and such other penalties as provided for in the *Provincial Offences Act*, R.S.O. 1990, c. P. 33 and the *Municipal Act, 2001*, S.O. 2001 c. 25, each as amended.
21. A Person who is convicted of an offence under this by-law is liable, to a minimum fine of \$500.00 and a maximum fine of \$100,000 as provided for in subsection 429(3), paragraph 1 of the *Municipal Act, 2001*.
22. A person who is convicted of a continuing offence under this by-law, including but not limited to failure to make payment of MAT, is liable, for each day or part of a day that the offence continues, to a minimum fine of \$500.00 and a maximum fine of \$10,000.00 and the total of all of the daily fines for the offence is not limited to \$100,000, as provided for in subsection 429(3) paragraph 2 of the *Municipal Act, 2001*.
  - (a) When a Person has been convicted of an offence under this by-law, any court of competent jurisdiction thereafter may, in addition to any penalty imposed on the Person convicted, issue an order:
    - (i) prohibiting the continuation or repetition of the offence by the Person convicted; and
    - (ii) requiring the Person convicted to correct the contravention in the manner and within the period that the court considers appropriate.
23. Without limiting the foregoing, the Town may establish and use other dispute resolution mechanisms and enforcement measures if an amount assessed for outstanding MAT, penalties and/or interest remains unpaid after it is due, including measures such as garnishment, the seizure and sale of property and the creation and registration of liens as it considers appropriate.

### **Enforcement**

24. Any amount of MAT, interest, and/or penalties that is past due will be deemed to be arrears and will give rise to the following enforcement measures in accordance with subsection 400.1(3) paragraph (h) of the *Municipal Act, 2001*, without limiting the Town's other legal recourse:
  - (a) the right to garnish any debts owing to any Person liable for the arrears;
  - (b) a lien against the subject real property, which may at the Town's option be registered on title as an encumbrance on those lands, and which the Town will agree to discharge on payment of all arrears and registration costs; and
25. A lien for MAT arrears will not be a priority lien for the purposes of subsections 1(2.1), (2.2) and (3) of the *Municipal Act, 2001*, as amended, and such a lien will not have a higher priority than it would otherwise have in law in relation to other claims, liens or encumbrances.
26. All MAT penalties and interest may be added to a tax roll for any real property in the Town of Collingwood registered in the name of the Owner, to be collected in like manner as property taxes, with necessary changes pursuant to sections 338.5 and 370.2 of the *Municipal Act, 2001*, as amended.

### **Severability**

27. If a court of competent jurisdiction declares any section, provision, or part of  
BL2024-085 Municipal Accommodation Tax

this By-law invalid, it is the intention of Council of the Town that the remainder of this By-law shall continue in force, unless the court makes an order to the contrary.

**Singular and Plural Use**

28. In this By-law, unless the context otherwise requires, words importing the singular shall include the plural, words importing the plural shall include the singular, and gendered terms shall include all genders, where applicable.

**Effective Date**

29. That this By-law shall come into full force and effect on March 1, 2025, at which time all By-laws and/or resolutions that are inconsistent with the provisions of this By-law and the same are hereby repealed or rescinded insofar as it is necessary to give effect to this By-law.

**ENACTED AND PASSED** this 16th day of December, 2024.

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MAYOR

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CLERK