

Report to Strategic Priorities and Policy Committee

To: Chair and Members
Strategic Priorities & Policy Committee

From: Anna Lisa Barbon, CPA, CGA
Deputy City Manager, Finance Supports

Subject: Municipal Accommodation Tax on Short-term
Accommodations - Single Source Procurement 2022-211

Date: July 27, 2022

Recommendation

That, on the recommendation of the Deputy City Manager, Finance Supports, the following actions be taken with respect to collecting Municipal Accommodation Tax on Short-term Accommodations:

- a) That the attached proposed by-law (Appendix 'A') **BE INTRODUCED** at the Municipal Council meeting on August 2, 2022, with respect to the collection of Municipal Accommodation Tax in the City of London, entitled "A By-law to Impose a Municipal Accommodation Tax"; and
- b) That approval hereby **BE GIVEN** to enter into a contract with the Ontario Restaurant, Hotel & Motel Association for an additional four (4) years with two one-year extensions; it being noted that this will be a single source contract as per the Procurement of Goods and Services Policy, in accordance with section 14.4 (d); and
- c) That the attached proposed by-law (Appendix 'B') **BE INTRODUCED** at the Municipal Council meeting on August 2, 2022 to:
 - i) Approve the Amending Agreement to the Municipal Accommodation Tax Collection Agreement between The Corporation of the City of London and the Ontario Restaurant Hotel & Motel Association for the collection of the Municipal Accommodation Tax in the City of London; and
 - ii) Authorize the City Treasurer to approve any amendments to the Amending Agreement;
 - iii) Authorize the Mayor and City Clerk to execute the agreement;
 - iv) Authorize the City Treasurer to approve any future amending agreements to the agreement between The Corporation of the City of London and the Ontario Restaurant Hotel & Motel Association for the collection of the Municipal Accommodation Tax in the City of London.

Executive Summary

The City of London implemented the collection of a Municipal Accommodation Tax (MAT) in October 2018, but only hotels and motels were included. On June 14, 2022, Municipal Council approved revisions to the Business Licensing By-law to license short-term accommodations effective October 1, 2022. The by-law amendments required short-term accommodations to also collect and remit MAT.

This report proposes a revised by-law for the collection of MAT in London that includes short-term accommodations. Furthermore, this report proposes a single source contract with the Ontario Restaurant, Hotel & Motel Association (ORHMA), the existing collection agent for MAT on hotel and motel accommodations in London and proposes an amending agreement with ORHMA to carry out the additional collections.

Linkage to the Corporate Strategic Plan

Council's 2019 to 2023 Strategic Plan for the City of London identifies "Leading in Public Service" as a strategic area of focus. Specifically, utilizing non-tax supported sources of funding to support program or project delivery contributes to the strategy "Continue to ensure the strength and sustainability of London's finances."

Analysis

1.0 Discussion and Considerations

1.1 Previous Reports Related to this Matter

Strategic Priorities & Policy Committee - June 25, 2018 – Municipal Accommodation Tax – Required Agreements and By-laws [2018-06-25 - Municipal Accommodation Tax.pdf](#)

Community & Protective Services Committee – February 19, 2020 - Short-term Accommodations – Proposed Regulations [2020-02-19 SR Short-Term Accommodations - Proposed Regulations.pdf](#)

Community & Protective Services Committee - March 29, 2022, Short-term Accommodations – Public Participation Meeting [2022-03-29 SR - Short Term Accommodations.pdf](#)

Community & Protective Services Committee - May 31, 2022 - Short-term Accommodations – Proposed Amendments [2022-05-31 SR - Short-term Accommodations - Proposed Amendments.pdf](#)

1.2 Background and Purpose

In January 2018, Municipal Council endorsed the implementation of a transient accommodation tax and directed Civic Administration to report back with the necessary implementation documentation. On June 26, 2018, Municipal Council approved the necessary by-laws and agreements for implementation effective October 1, 2018. At that time, it was determined that short-term rentals would be exempt from MAT, pending further review and potential licensing of short-term rentals in the future.

On March 2, 2020, Municipal Council directed Civic Administration to amend all necessary by-laws to license short-term accommodations, to hold a public participation meeting on the matter, and to continue consulting with short-term accommodation platforms on the collection of MAT.

On March 29, 2022, a public participation meeting was held at the Community and Protective Services Committee to discuss proposed by-laws related to licensing short-term accommodations.

On June 14, 2022, Municipal Council approved the proposed by-law to amend the Business Licensing By-law to include provisions for licensing of short-term accommodations. The by-law amendments required short-term accommodations to collect and remit MAT. The report noted that MAT is currently being collected for all hotel and motel stays in the City and from an equity standpoint, as licensing is introduced, short-term accommodations will also be required to collect and remit MAT. It was further noted that Civic Administration would bring forward a future report addressing any necessary amendments to the MAT By-law as well as details on the collection process.

2.0 Key Issues and Considerations

2.1 Revised By-law for Imposing MAT on Short-Term Accommodations

The current by-law with respect to establishing a tax on the purchase of municipal accommodation in the City of London specifically excluded short-term accommodations. The proposed by-law (**Appendix A**) repeals the existing by-law and includes the necessary provisions for collecting MAT from short-term accommodations. Notable revisions include:

- Additional definitions in Section 1 to specify short-term accommodations;
- A new Section 5 to outline the requirements for short-term accommodations;
- Minor revisions to Section 8 to assist with collections of MAT;
- The proposed by-law will come into effect October 1, 2022 to align with the effective date of the amending agreement for the collection of MAT.

2.2 Collection Process

When MAT was first considered for short-term accommodations, the intention was to have the “platforms” (Airbnb, VRBO, etc.) collect MAT from the individual providers and remit to the City. Some municipalities who instituted MAT for short-term accommodations earlier on, were able to secure such agreements but now the platforms are no longer willing to provide this service.

Following that, Civic Administration approached the Ontario Restaurant, Hotel & Motel Association (ORHMA) about collecting MAT directly from the individual providers of short-term accommodations. ORHMA was a good fit because they had expertise from already providing this service for the City of London for hotels and motels.

The amended agreement with ORHMA is presented in Schedule 1 to **Appendix B**. This is an amendment of the existing agreement with ORHMA to collect MAT on hotel and motel stays in London. There are two notable differences in the amended agreement.

1. There are a limited number of hotels and motels in the City for ORHMA to collect from. Furthermore, they are businesses that are familiar with maintaining financial records. The agreement stipulates a 1% fee for ORHMA to collect from hotels and motels. The amount of MAT revenue from short-term accommodation providers will be limited and they will likely have less experience with financial records. The amended agreement allows a 5% fee for ORHMA to collect from these providers.
2. MAT is collected monthly from hotels and motels. Due to the low volume of rentals and revenues, the amended agreement only requires MAT to be collected quarterly from short-term accommodation providers.

Once the agreement with ORHMA is in place, ORHMA will request from the City the contact information for short-term accommodation providers who have licensed with the City. ORHMA will contact these providers to share information on what will be required for their quarterly remittance and how their MAT payments can be made. Providers will be asked to include the number of rooms sold, the purchase prices, the number of rooms that were exempt, and the MAT collected.

In the short-term, payment to ORHMA will be through electronic transfer, cash or cheque. The City and ORHMA are working on a process to allow credit card payments in the future. The first remittance from short-term accommodation providers will be due January 15, 2023.

2.3 Procurement Process

Civic Administration is recommending that a single source procurement be made under Section 14.4 (d) of The Corporation of the City of London’s Procurement of Goods and Services Policy, where there is a need for compatibility for services previously acquired and the services will be additional to similar services being supplied under an existing contract. Based on the existing service contract the City has with ORHMA, this supplier provided expertise in the collection of municipal accommodation tax from the hotel and motel industry where their knowledge of this industry assisted greatly in the collection. It is therefore recommended that the contract be amended to include collection of MAT for short-term accommodations.

2.4 Financial Considerations

Prior to the implementation of licensing for short-term accommodations, it was estimated there were approximately 700 providers in London. The approved licensing program included a provision that a short-term accommodation could only operate within the principal residence of the provider. It was estimated that 2/3 of the current providers do not meet this standard and therefore may no longer be able to operate as a short-term accommodation. With some assumptions for rental rates and occupancy, it

is estimated that the MAT revenue from short-term accommodations could be between \$100,000 and \$200,000 annually.

Conclusion

On June 14, 2022, Municipal Council approved revisions to the Business Licensing By-law to license short-term accommodations. The by-law amendments required short-term accommodations to collect and remit Municipal Accommodation Tax (MAT).

This report proposes a revised by-law for the collection of MAT in London that includes short-term accommodations. Furthermore, this report proposes a single source contract with the Ontario Restaurant, Hotel & Motel Association (ORHMA), the existing collection agent for MAT on hotel and motel accommodations in London and proposes an amending agreement with ORHMA to begin the additional collections effective October 1, 2022.

Submitted by: Alan Dunbar, CPA, CGA
Manager, Financial Planning & Policy

Reviewed by: Kyle Murray, CPA, CA
Director, Financial Planning & Business Support

Recommended by: Anna Lisa Barbon, CPA, CGA
Deputy City Manager, Finance Supports

cc:

Ian Collins, Director, Financial Services
Orest Katolyk, Director, Municipal Compliance and Chief Municipal Law
Enforcement Officer
Scott Mathers, Deputy City Manager, Planning and Development

Attached:

Appendix A Proposed By-law for MAT
Appendix B Proposed By-law to Authorize Amending Agreement

Appendix A Proposed By-law for MAT

Bill No.
2022

By-law No.

A bylaw to impose a Municipal Accommodation Tax and to repeal By-law No. A.-7753-259, as amended, entitled, "A bylaw to impose a Municipal Accommodation Tax"

WHEREAS section 400.1 of the *Municipal Act, 2001* provides that a municipality may pass a by-law imposing a transient accommodation tax;

WHEREAS Ontario Regulation 435/17 provides regulations in respect of the imposition of a transient accommodation tax;

WHEREAS section 23.2 of the *Municipal Act, 2001* permits a municipality to delegate certain legislative and quasi-judicial powers;

AND WHEREAS at its meeting of May 8, 2018, Council approved the establishment of the transient accommodation tax to be imposed on the purchase of accommodations of short duration within the City of London, which will generate revenue to be shared with designated non-profit entities to promote local tourism;

AND WHEREAS Council now approves the imposition of transient accommodation tax on the purchase of Short-term Accommodation;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. DEFINITIONS

"Accommodation" means Hotel Accommodation and Short-Term Accommodation

"Ancillary Charges" means charges related to the purchase of Accommodation including, but not limited to the purchase of food, room service, mini bar products, internet, movie rentals, and phone charges.

"City" means The Corporation of the City of London.

"Council" means the Municipal Council of The Corporation of the City of London.

"Dwelling" means one or more habitable rooms designed, occupied or intended to be occupied as living quarters.

"Hotel Accommodation" means the purchase of accommodation in a hotel, motel, inn, resort, and hostel for a period of a minimum of 4 hours and a maximum of 29 consecutive days.

"Hotel Accommodation Provider" means a person who receives payment in consideration for Hotel Accommodation and includes agents, hosts or others who sell, offer for sale, or otherwise provides Hotel Accommodation. Where the Provider cannot easily be determined, the owner of a property providing Hotel Accommodation is deemed to be the Hotel Accommodation Provider.

"Municipal Accommodation Tax" or "MAT" means the tax imposed under this by-law.

"Person" includes a corporation.

"Purchaser" means the person who makes payment in consideration for Accommodation.

"Provider" includes a Hotel Accommodation Provider and a Short-term Accommodation Provider.

“Short-term Accommodation” means a temporary accommodation in all or part of a Dwelling that is provided for 29 consecutive days or less in exchange for payment, and includes a bed and breakfast, but does not include a hotel, motel, inn, resort, hostel, lodging house, or rooming house.

“Short-term Accommodation Broker” means any individual, partnership, or corporation that, for compensation, markets and brokers the booking, reservation or rental, of a Short-term Accommodation on behalf of a Short-term Accommodation Provider by a means of a website or digital application.

“Short-term Accommodation Provider” means a person who receives payment in consideration for Short-term Accommodation and includes agents, hosts or others who sell, offer for sale or otherwise provide Short-term Accommodation, but does not include a short-term Accommodation Broker. For the purposes of this definition, this does not include a corporation or partnership. Where the Provider cannot easily be determined, the owner of a property providing Short-term Accommodation is deemed to be the Short-term Accommodation Provider.

2. APPLICATION

2.1 A Purchaser of Accommodation shall pay, at the time of purchase, a Municipal Accommodation Tax in the amount of four (4) percent of the purchase price of the Accommodation provided for a continuous period of less than 30 nights.

2.2 The Municipal Accommodation Tax will not apply to Ancillary Charges that are itemized separately on the Purchaser’s receipt.

2.3 Where the Provider fails to separately itemize Ancillary Charges, the Municipal Accommodation Tax will apply to the total amount of the purchase price.

3. EXEMPTIONS

3.1 The Municipal Accommodation Tax 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*;
- c) 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.
- d) 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 licence issued under the *Private Hospitals Act*;
- e) Every long-term care home as defined in subsection 2(1) of the *Long-Term Care Homes Act, 2007*;
- f) Every treatment centre that receives 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 hotel or motel room used by the City or its contracted service providers for shelter accommodation purposes;
- j) Every tent or trailer sites supplied by a campground, tourist camp, or trailer park;
- k) Every accommodation supplied by employers to their employees in premises operated by the employer; and,

- l) Every hospitality room in an establishment that does not contain a bed and is used for displaying merchandise, holding meetings, holding hearings, or entertaining.

4. TAX COLLECTED BY PROVIDERS OF HOTEL ACCOMMODATION

4.1 Hotel Accommodation Providers shall list the Municipal Accommodation Tax as a separate item on the Purchaser's receipt or invoice and identify such tax as "Municipal Accommodation Tax".

4.2 Hotel Accommodation Providers shall collect the Municipal Accommodation Tax from the Purchaser at the time of purchase as agents of the municipality.

4.3 Hotel Accommodation Providers shall, on a monthly basis within 15 days of the end of each calendar month for the month prior, remit the Municipal Accommodation Tax to the tax collection agent designated by the City in a manner the City Treasurer deems acceptable

4.4 Hotel Accommodation Providers shall, on a monthly basis within 15 days of the end of each calendar month for the month prior, provide a monthly statement in the form required by the tax collection agent; these monthly statements shall include:

- i. The number of rooms sold;
- ii. The purchase prices of the rooms sold;
- iii. The number of rooms that were exempt under the by-law and proof the Provider relied on; and
- iv. The Municipal Accommodation Tax Collected.

4.5 Hotel Accommodation Providers shall provide any information as required by the City Treasurer for the purposes of enforcing this by-law.

5.0 TAX COLLECTED BY PROVIDERS OF SHORT-TERM ACCOMMODATION

5.1 Short-term Accommodation Providers shall list the Municipal Accommodation Tax as a separate item on the Purchaser's receipt or invoice and identify such tax as "Municipal Accommodation Tax". If the purchase of Short-term Accommodation is made through a Short-Term Accommodation Broker, the Short-Term Accommodation Broker shall list the Municipal Accommodation Tax as a separate item on the Purchaser's receipt or invoice and identify such as tax as "Municipal Accommodation Tax".

5.2 Short-term Accommodation Providers shall collect the Municipal Accommodation Tax from the Purchaser at the time of purchase as agents of the municipality. If the purchase of a Short-term Accommodation is made through a Short-Term Accommodation Broker, the Short-term Accommodation Broker shall collect the Municipal Accommodation Tax at the time of purchase as agents of the municipality and remit it to the Provider of Short-term Accommodation.

5.3 Short-term Accommodation Providers shall, on a quarterly basis within 15 days of the end of the previous quarter, remit the Municipal Accommodation Tax to the tax collection agent designated by the City in a manner the City Treasurer deems acceptable

5.4 Short-term Accommodation Providers shall, on a quarterly basis within 15 days of the end of the previous quarter, provide a quarterly statement in the form required by the tax collection agent; these quarterly statements shall include:

- i. The number of rooms sold;
- ii. The purchase prices of the rooms sold;
- iii. The number of rooms that were exempt under the by-law and proof the Provider relied on; and
- iv. The Municipal Accommodation Tax collected.

5.5 Short-Term Accommodation Providers shall provide any information as required by the City Treasurer for the purposes of enforcing this by-law.

6.0 REFUNDS

6.1 Where a Purchaser has paid an amount that is not payable, the City Treasurer or the City's agent, may upon receipt of satisfactory evidence, make a determination that the amount was wrongly paid, and if such a determination is made, the City or its agent shall refund or credit all or part of the amount, but no refund shall be made unless an application is made within twenty-four (24) months after the payment date.

6.2 Where a Provider remits a surplus in error, the City or its agent, may upon receipt of satisfactory evidence, make a determination that an amount was wrongly paid, and if such a determination is made, the City or its agent, shall refund all or part of the amount, but no refund shall be made unless an application for such a refund is made within twenty-four (24) months after the date of remittance.

6.3 Where a person has applied for a refund and the person's claim is in whole or in part refused, the City or its agent shall provide a statement of disallowance in such form as determined by the City or its agent, and the statement shall specify the amount of disallowance and the reasons for the disallowance.

7.0 TAX COLLECTION AGENT

7.1 The tax collection agent shall be the Ontario Restaurant Hotel & Motel Association ("ORHMA").

7.2 The City Manager, in consultation with the City Solicitor, may designate additional tax collection agents for the City and enter into agreements with designated tax collection agents.

7.3 The tax collection agent(s) shall collect and administer the Municipal Accommodation Tax as an agent for the City in accordance with the agreement between the City and the tax collector(s) and this by-law.

8.0 INTEREST, FEES AND LIENS

8.1 Penalties and interest at a monthly rate of interest applicable to overdue property taxes shall apply to any outstanding Municipal Accommodation Tax and shall be payable monthly by the Providers of Accommodation on the amount of any tax payable or remittable from the business day following the date on which the Municipal Accommodation Tax was payable, or its remittance was due up to and including the date on which such tax is paid or remitted in full.

8.2 The City Treasurer may refer the collection of any Municipal Accommodation Tax payable or required to be remitted to a bailiff or a collection agency.

8.3 Upon default of Municipal Accommodation Tax required to be paid or remitted under this bylaw, the City Treasurer may bring an action for the recovery of the amount in any court in which a debt or money demand or similar amount may be collected and every such action shall be brought and executed in the name of the City.

8.4 The City Treasurer may register a lien on any property in which Accommodation has been provided and for which tax remains owing.

8.5 A fee, as prescribed by the Fees & Charges By-law A-52, shall be charged in respect of all remittances made by cheque that are not honoured by the financial situation upon which it is drawn.

9.0 AUDIT AND INSPECTIONS

9.1 Every Provider shall keep, for no less than three (3) years, books of account, records, and documents sufficient to furnish the City or its designated tax collection agent(s) with the necessary particulars of:

- i. sales of accommodation;
- ii. amount of the Municipal Accommodation Tax collected; and
- iii. the remittances made to the tax collection agent.

9.2 Every Short-term Accommodation Broker shall keep, for no less than (3) years, books of account, records and documents sufficient to furnish the City or its designated tax collection agent with the necessary particulars of:

- i. sales of accommodation;
- ii. amount of the Municipal Accommodation Tax collected.

9.3 The City Treasurer or designate or the City's designated tax collection agent may inspect and audit all books, documents, transactions, and accounts of Providers and Short-term Accommodation Brokers and require Providers or Short-term Accommodation Brokers to produce copies of any document or records required for the purpose of administering and enforcing this by-law.

9.4 Every Provider or Short-term Accommodation Broker shall furnish upon the demand of the City Treasurer or the City's designated tax collection agent for reasonable inspection, copies of any books, documents, transactions, accounts or records required for the purposes of the administration and enforcement of this by-law.

10.0 OFFENCES AND PENALTIES

10.1 Every person who contravenes any provision of this by-law is guilty of an offence.

10.2 Every director or officer of a corporation who knowingly concurs in the contravention of any provision of this by-law is guilty of an offence.

10.3 Every person convicted of an offence under this by-law is liable to a minimum fine of \$500 and a maximum fine of \$100,000 as provided for in subsection 429(3) of paragraph 1 of the *Municipal Act, 2001*.

10.4 Every person convicted of an offence under this by-law is liable, for each day the offence continues, to a minimum fine of \$500 and a maximum fine of \$100,000 as provided for in subsection 429(3) paragraph 2 of the *Municipal Act, 2001*. The total of all the daily fines for a continuing offence is not limited to \$100,000.

10.5 The Superior Court of Justice or any court of competent jurisdiction may, in addition to any penalty imposed on a person convicted of an offence under this by-law issue an order:

- a) Prohibiting the continuation or repetition of the offence by the person convicted;
- or
- b) Requiring the person convicted to correct the contravention in a manner prescribed by the court.

11.0 ADMINISTRATION

11.1 The administration of this by-law is delegated to the City Treasurer or their designate.

12.0

GENERAL

12.1

This by-law shall come into force and effect October 1, 2022.

PASSED in Open Council on August 2, 2022

Mayor

City Clerk

Appendix B

Bill No.

By-law No.

A by-law to authorize an Amending Agreement between The Corporation of the City of London and the Ontario Restaurant, Hotel & Motel Association and to authorize the Mayor and Clerk to execute the Amending Agreement

WHEREAS subsection 5(3) of the *Municipal Act*, 2001, S.O. 2001, c. 25, as amended, provides that a municipal power shall be exercised by by-law;

AND WHEREAS section 9 of the *Municipal Act*, 2001 provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under this or any other Act;

AND WHEREAS section 400.5 of the *Municipal Act*, 2001 provides that a municipality may enter into agreements with another person or entity for the collection of taxes imposed under section 400.1 of the *Municipal Act*, 2001;

AND WHEREAS Council has approved the imposition of the Municipal Accommodation Tax on Short-term Accommodation;

AND WHEREAS it is deemed expedient for The Corporation of the City of London (the "City") to enter into an Amending Agreement with the Ontario Restaurant, Hotel & Motel Association ("ORHMA") to provide for the collection of the Municipal Accommodation Tax from Short-term Accommodation Providers or Short-term Accommodation Brokers;

AND WHEREAS it is appropriate to authorize the Mayor and City Clerk to execute the Agreement on behalf of the City;

NOW THEREFORE the Municipal Council of The Corporation of the City of London enacts as follows:

1. The Amending Agreement between The Corporation of the City of London and the Ontario Restaurant, Hotel & Motel Association is hereby authorized and approved, subject to the City Treasurer's authority to approve amendments to the Amending Agreement.
2. The City Treasurer is authorized to approve any amendments to the agreement approved under section 1 of this bylaw.
3. The Mayor and Clerk are authorized to execute the agreement authorized and approved under section 1 of this bylaw.
4. The City Treasurer is authorized to approve any future amending agreements to the agreement between The Corporation of the City of London and the Ontario Restaurant, Hotel & Motel Association for the collection of municipal accommodation tax.

5. This bylaw shall come into force and effect on the day it is passed.

PASSED in Open Council

Mayor

City Clerk

First Reading –
Second Reading –
Third Reading -

Schedule “1”

THIS AMENDING AGREEMENT made this ____ day of _____.

BETWEEN:

THE CORPORATION OF THE CITY OF LONDON

(hereinafter the “City”)

-and-

Ontario Restaurant Hotel & Motel Association

(hereinafter “ORHMA”)

WHEREAS the City and ORHMA entered into a Municipal Accommodation Tax Collection Agreement (“Agreement”);

AND WHEREAS the parties wish to amend the agreement to provide for the collection of the Municipal Accommodation Tax from Short-Term Accommodation Providers and to amend the term of the Agreement;

NOW THEREFORE THE AMENDING AGREEMENT WITNESSETH THAT in consideration of the mutual covenants and agreements set forth, the parties covenant and agree, to and with each other, as follows:

1. The definition of “Transient Accommodation” and “Provider” under the Definitions section of the Agreement are deleted and replaced by:
“Accommodation” means Hotel Accommodation and Short-Term Accommodation
“Provider” includes a Hotel Accommodation Provider and a Short-term Accommodation Provider.
2. The following definitions are added to the Definitions section of the Agreement:
“Hotel Accommodation” means the purchase of accommodation in a hotel, motel, inn, resort, and hostel for a period of a minimum of 4 hours and a maximum of 29 consecutive days.
“Hotel Accommodation Provider” means a person who receives payment in consideration for Hotel Accommodation and includes agents, hosts or others who sell, offer for sell or otherwise provides Hotel Accommodation. Where the Provider cannot easily be determined, the owner of a property providing Hotel Accommodation is deemed to be the Hotel Accommodation Provider.
“Short-term Accommodation” means a temporary accommodation in all or part of a Dwelling that is provided for 29 consecutive days or less in exchange for payment, and includes a bed and breakfast, but does not include a hotel, motel, inn, resort, hostel, lodging house, or rooming house.
“Short-term Accommodation Provider” means an individual who, for compensation, makes available Short-term Accommodation, but does not include a short-term Accommodation Broker. For the purposes of this definition, this does not include a corporation or partnership.
“Short-term Accommodation Broker” means any individual, partnership, or corporation that, for compensation, markets and brokers the booking, reservation, or rental, of a Short-term Accommodation on behalf of a Short-term Accommodation Provider by a means of a website or digital application.
3. All references to “Transient Accommodation” are deleted and replaced by “Accommodation”.
4. All references to “Providers of Transient Accommodation” are deleted and replaced by “Providers”.
5. Article 1 is amended by deleting the words “utilizing the ORHMA’s existing network”.

6. Article 4 is deleted and replaced by:

Hotel Accommodation Providers will make remittances of the MAT on a monthly basis to ORHMA, within 15 days of the end of each calendar month for the month prior. Short-term Accommodation Providers will make remittances of the MAT on a quarterly basis to ORHMA within 15 days of the previous quarter for the quarter prior.

7. Article 7 is deleted and replaced by:

ORHMA will remit the MAT collected from Hotel Accommodation on a monthly basis within 30 days of the end of each calendar month for the prior month.

ORHMA will remit the MAT collected from Short-term Accommodation on a quarterly basis within 30 days of the end of the prior quarter.

8. Article 10 deleted and replaced by:

ORHMA will submit a monthly report to the City for the Municipal Accommodation Tax collected on Hotel Accommodation with each remittance indicating:

- a. the average number of rooms available for taxable (MAT) occupancy at each Provider;
- b. the average daily rate;
- c. the total room charges for the month;
- d. the total MAT collected and remitted;
- e. an aging report of overdue accounts;
- f. the number of rooms that were exempt under the by-law; and
- g. any further details relating to the MAT as required by the City Treasurer.

ORHMA will submit a quarterly report to the City for the Municipal Accommodation Tax collected on Short-term Accommodation with each remittance indicating:

- a. the average number of rooms available for taxable (MAT) occupancy at each Provider;
- b. the average daily rate;
- c. the total room charges for the quarter;
- d. the total MAT collected and remitted;
- e. an aging report of overdue accounts;
- f. the number of rooms that were exempt under the by-law; and
- g. any further details relating to the MAT as required by the City Treasurer.

9. Article 21 is deleted and replaced by:

ORHMA will perform a payment transfer to the City (all payments of MAT, penalties, interest on late payments etc.) monthly for Hotel Accommodation within 30 days of the end of each calendar month for the prior month, via cheque/electronic funds transfer, to the City's designated account(s).

ORHMA will perform a payment transfer to the City (all payments of MAT, penalties, interest on late payments etc.) on a quarterly basis for Short-term Accommodation within 30 days of the end of each quarter for the prior quarter, via cheque/electronic funds transfer to the City's designated account(s).

10. Article 25 is deleted and replaced by:

ORHMA will provide the City with monthly reports for MAT collected for Hotel Accommodation, quarterly reports for MAT collected for Short-term Accommodation and an annual report to support the City functions related to the MAT including reconciliation, refunds, verification and auditing.

11. Article 27 is deleted and replaced by:

The following reports will be produced by the ORHMA and made available electronically to the City.

- **Monthly Reconciliation Report for MAT collected on Hotel Accommodation:**

Detailed reconciliation report identifying the number of transactions and MAT revenue collected by the ORHMA and submitted to the City. The report will contain information to substantiate amounts collected, including name and identifier of taxable entity, summary of room revenues, applicable exemptions or deductions, guest refunds, adjustments, MAT payable and total amount due etc.

- **Quarterly Reconciliation Report for MAT collected on Short-term Accommodation:**

Detailed reconciliation report identifying the number of transactions and MAT revenue collected by the ORHMA and submitted to the City. The report will contain information to substantiate amounts collected, including name and identifier of taxable entity, summary of room revenues, applicable exemptions or deductions, guest refunds, adjustments, MAT payable and total amount due etc.

- **Audit Reports**

All audit findings, reports and summaries shall be provided, unaltered and completely, to the City.

12. Article 33 is amended by deleting and replacing paragraph (2)

(2) Quarterly fee in the amount of one percent (1%) of the monthly remittance to the City on Hotel Accommodation or one percent (1%) of the quarterly remittances to the City on Short-term Accommodation collected from Short-term Accommodation Brokers.

13. Article 33 is amended by adding paragraph (3):

(3) Quarterly fee in the amount of five percent (5%) of the quarterly remittance to the City for all Municipal Accommodation Tax collected directly from Short-term Accommodation Providers.

14. Article 50 is deleted and replaced by:

This Agreement commenced on October 1, 2018 and continues in full force and effect for eight (8) years. Upon the expiry of the eight (8) year term, the City at its absolute sole discretion has the option to renew the contract for a further two (2) one-year periods.

15. This amending agreement shall become effective October 1, 2022.

The Corporation of the City of London

Ontario Restaurant Hotel & Motel Association

Mayor

I have the authority to bind the Corporation

City Clerk