

Town of Lunenburg

Short-Term Accommodation Levy By-law

1. TITLE

This By-law may be cited as the *“Short-Term Accommodation Levy By-law”*.

2. PURPOSE

The purpose of this By-law is to establish the collection, administration, and use of a marketing levy on short-term accommodations in accordance with Section 75A of the *Municipal Government Act*.

3. DEFINITIONS

“Accommodation” has the same meaning as in Section 75A of the *Municipal Government Act*.

“Inspector” means a person appointed by the Town to carry out inspections or audits under this By-law.

“Levy” means the marketing levy authorized under Section 75A of the *Municipal Government Act*.

“Nil Remittance Return” means a remittance return submitted for a reporting period in which no levy is collected.

“Operator” has the same meaning as in Section 75A of the *Municipal Government Act*.

“Purchase Price” has the same meaning as in Section 75A of the *Municipal Government Act*.

“Platform Operator” has the same meaning as in Section 75A of the *Municipal Government Act*.

“Remittance” means the payment of Levy funds collected by an Operator to the Town in accordance with this By-law.

“Reporting Period” means the monthly period for which a levy return is required to be submitted under this By-law.

“Town” means the Town of Lunenburg, Nova Scotia.

4. APPLICATION OF BY-LAW

This By-law applies to short-term accommodation, as defined in Section 75A of the *Municipal Government Act*, that is located within the Town of Lunenburg.

A levy of three per cent (3%) applies to the purchase price of short-term accommodation in the Town.

The operator must collect the levy from the purchaser at the time the accommodation is purchased, regardless of how payment is made, and must remit the levy to the Town in accordance with the timelines and procedures set out in this By-law.

If a third-party processes or collects payment on behalf of an operator, the operator remains responsible for ensuring that the levy is properly collected and remitted in accordance with this By-law.

Any person who collects an amount from a purchaser that is described as, or intended to be, a levy under this By-law must remit that amount to the Town in accordance with this By-law.

5. EXEMPTIONS FROM THE LEVY

The levy does not apply to:

- a) accommodation with a daily purchase price of \$20.00 or less;
- b) students accommodated in housing owned or operated by a post-secondary institution while registered and attending that institution;
- c) accommodation provided to a person for more than 30 consecutive days;
- d) a person and their immediate family accommodated while the person or a member of their family is receiving medical treatment at a hospital or provincial health-care centre, or is seeking specialist medical advice, where the person provides reasonable confirmation of entitlement to the operator, in a form acceptable to the Town.

Where requested by the Town, an operator must be able to demonstrate that an exemption applies.

6. REMITTANCE OF LEVY

The Town may require an operator to provide records or other information reasonably necessary to verify accommodation sales and the amount of the levy collected for any reporting period.

A separate remittance return must be submitted for each place of business, unless the Town has approved a consolidated return.

Each remittance must be submitted with a completed remittance return, in the form provided by the Town.

Operators shall remit the levy monthly, no later than 30 days after the end of each month, in accordance with this By-law.

Where an operator does not operate during a reporting period, the operator may submit a nil remittance return, including a nil return submitted in advance for a period of non-operation.

If no levy is collected during a reporting period, the operator shall still submit a nil return using the prescribed remittance form.

If an operator stops operating or sells a business, the operator must submit a final remittance return and pay any levy collected within 15 days of the date operations end or the business is sold.

7. CALCULATION OF LEVY FOR PACKAGED ACCOMMODATION

Where accommodation is sold as part of a package that includes meals or other services, the levy applies only to the accommodation portion of the package price.

The accommodation portion shall be calculated based on the standard price the accommodation would be sold for on its own, without meals or other services, at the same facility.

8. INTEREST

If an operator fails to remit the levy by the required due date, interest shall be charged on the outstanding amount at a rate of 1.5% per month and shall continue until the amount owing is paid in full.

9. REFUND OR ADJUSTMENT OF LEVY

If an operator has remitted a levy to the Town for a sale that is later written off as uncollectible, the Town may allow the operator to recover the levy by adjusting a future remittance, in a manner acceptable to the Town.

If the Town determines that a levy, or a portion of a levy, has been paid in error, whether as a result of a request by an operator or otherwise, the Town shall refund the overpaid amount to the person entitled to receive it. No interest shall be paid on any refund.

10. CLAIM FOR REFUND

To request a refund under this By-law, a person must:

- a) submit a written request to the Town, signed by the person who paid the amount being claimed; and

- b) provide information or documentation sufficient to show that the person is entitled to the refund.

If the person who paid the amount is a corporation, the refund request must be signed by a director or an authorized employee of the corporation.

11. RECORDS

Every operator shall keep accurate and complete records sufficient to allow the Town to verify:

- a) accommodation sales;
- b) the amount of levy collected; and
- c) the amount of levy remitted to the Town.

Records relating to the levy shall be maintained in a manner that allows the Town, upon review or audit, to determine whether the levy has been properly charged, collected, and remitted, without requiring the creation of separate or standalone records.

An operator shall retain all books of account, records, and documents required under this section for a period of five (5) years.

Where a receipt, invoice, bill, or similar document is issued for the sale of accommodation, the levy must be clearly identified as a separate line item and must not be included in the accommodation price.

12. INSPECTION, AUDIT AND ASSESSMENT

The Town may appoint an inspector for the purpose of verifying compliance with this By-law as it relates to the calculation, collection, reporting, and remittance of the levy.

Except where immediate access is reasonably necessary, the Town shall provide reasonable advance notice to an operator before conducting an inspection or audit under this By-law.

An inspection or audit shall be conducted during normal business hours, or at another time agreed to by the operator and the Town.

For the purposes of an inspection or audit, an inspector may enter a place of business or any location where relevant records are kept in order to review and verify:

- a) accommodation sales subject to the levy;
- b) the amount of levy collected; and
- c) the amount of levy reported and remitted to the Town.

An inspector may examine books, records, and other documents reasonably required to verify compliance with this By-law.

An operator shall provide reasonable assistance and information required to allow the inspector to carry out an inspection or audit under this By-law.

If an inspection or audit indicates that the levy has not been properly calculated, collected, reported, or remitted, the Town may calculate the amount of levy and any applicable interest owing based on the information available.

If an operator fails to provide reasonable assistance or information, the Town may estimate the amount of levy and interest that should have been collected and remitted.

Where the Town calculates or estimates that a levy is owing, the Town shall provide written notice to the operator setting out the amount payable.

An operator must remit the amount identified in the notice, including any applicable interest, within 30 days of receiving the notice, whether or not the operator objects to the amount.

An operator who disagrees with the amount payable may, within 15 days of receiving the notice, submit a written objection to the Town, signed by the operator or an authorized representative, together with information supporting the objection.

After reviewing an objection, or on its own initiative, the Town may confirm, revise, or cancel a previous calculation or estimate. The operator shall remit any final amount determined by the Town.

The reasonable costs associated with inspections or audits conducted under this By-law may be paid from levy funds as part of the administration of the levy.

13. ALLOCATION OF LEVY FUNDS

In accordance with the *Municipal Government Act*, as amended from time to time, Council may use, by resolution, levy funds for purposes authorized under the Act, including the promotion of tourism, and may allocate all or a portion of those funds to organizations engaged in activities authorized under the Act.

14. ENGAGEMENT AND DECISION-MAKING

Prior to allocating or expending levy funds, Council shall engage with short-term accommodation operators and other relevant stakeholders to seek input on priorities and approaches for the use of the funds.

The allocation and expenditure of levy funds shall be authorized by resolution of Council. While operator input shall be considered as part of Council's decision-making, the final determination respecting the use of levy funds rests with Council.

15. ADMINISTRATION

The Chief Administrative Officer may establish administrative procedures, directives, or orders to support the administration and implementation of this By-law, provided that such procedures, directives, or orders are consistent with this By-law and the Municipal Government Act, as amended from time to time.

Without limiting the above subsection, administrative procedures or directives may address interim processes for the collection, reporting, and remittance of the levy, including processes to be followed pending the implementation of any centralized or provincial remittance system.

Nothing in this By-law relieves a platform operator of any obligation imposed under the Municipal Government Act.

16. OPERATOR CONTACT INFORMATION

An operator must notify the Town without delay of any change to the operator's contact information, business name, or accommodation details that could affect the administration, reporting, or remittance of the levy.

17. NOTICE

Any notice required under this By-law shall be in writing and may be delivered personally, sent by regular mail, or sent by email to the most recent contact information provided to the Town by the operator.

A notice delivered personally or sent by email is deemed to have been received on the day it is delivered or sent, unless the Town receives notice that delivery was unsuccessful.

A notice sent by regular mail is deemed to have been received five (5) days after mailing.

18. COMPLIANCE WITH OTHER LAWS

Nothing in this By-law authorizes the operation of short-term accommodation. Operators remain responsible for complying with all applicable provincial legislation and municipal by-laws, including the *Short-Term Rentals Registration Act* and municipal land-use by-laws.

19. OFFENCES AND PENALTIES

The Town may address non-compliance with this By-law through administrative and legal measures, including requiring payment of amounts owing and recovering unpaid levy amounts as a debt owing to the Town.

A person who knowingly fails to comply with this By-law may be subject to prosecution under the *Summary Proceedings Act*.

Town of Lunenburg
Short-Term Accommodation Levy By-law
Adopted by Council: March 10, 2026
Effective Date: January 1, 2027

20. SEVERABILITY

If any provision of this By-law is held to be invalid, such invalidity shall not affect the validity of the remaining provisions.

21. EFFECTIVE DATE

This By-law shall take effect January 1, 2027.