

Additional Hotel Room Tax (AHRT) Program Frequently Asked Questions

What is the AHRT Program?

- The additional hotel room tax program is intended to assist municipalities, regional districts and eligible entities in funding tourism marketing, programs and projects.
- Local governments that receive voted support of the majority of local accommodation providers may pass a bylaw authorizing the tax and apply to the Province for approval. The tax is collected by the province on behalf of local governments.
- Currently, approximately 50 communities throughout British Columbia apply the AHRT to fund community tourism marketing programs and projects.
- In the 2009/10 fiscal year the AHRT Program raised about \$27 million.

Will the AHRT continue now that the HST has been introduced?

- Following extensive consultations with stakeholders over the last year, the provincial government has confirmed that the Program will continue after June, 2011, and that the maximum tax rate will remain at 2%.

Are there any changes to the AHRT Program?

- Based on community and industry feedback, Government will introduce an enhanced accountability framework by June 2011 to further ensure greater marketing effectiveness and increased co-ordination between local communities, the tourism regions, and provincial marketing.
- The aim is to improve province-wide co-ordination of tourism marketing, while protecting the autonomy of local marketing initiatives.
- Enhancements to the program will include the following key elements:
 - Coordination
 - Key Performance Indicators
 - Compliance
- Government will work with a cross-section of community and industry stakeholders to complete and implement the enhancements.

What is the application and renewal process?

- The process for application and renewal will remain the same.
- AHRT municipalities approved after 1997 must apply to the Province for renewal every 5 years and must undertake a new vote among accommodation properties to approve collecting the tax.
- Seven entities are exempt from this renewal requirement: Tourism Vancouver and the municipalities of Victoria, Whistler, Oak Bay, Prince Rupert, Saanich and Smithers. These communities will continue to be grandfathered but will be subject to the new Accountability Framework as of June 30, 2011.

For more information:

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