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**FEDERAL AND PROVINCIAL  
TAX INFORMATION FOR ACCOMMODATION PROVIDERS  
THE VANCOUVER 2010 OLYMPIC AND PARALYMPIC  
WINTER GAMES**

Canada 



**March 2008**

**Welcome to the 2010 Winter Games!**

**Introduction**

If you are considering selling or renting accommodation in British Columbia during the Vancouver 2010 Olympic and Paralympic Winter Games, this brochure will provide you with general information on applicable federal and provincial taxes.

**Provincial Hotel Room Tax (HRT)**

Hotel room tax (HRT) applies to short-term accommodation in hotels, motels, resorts, cabins, boarding houses, B&B's, privately owned vacation homes, condominiums and similar establishment sold by operators who offer four or more units of accommodation in British Columbia.

An additional municipal and regional district tax of up to 2% also applies in many areas of the province, including Whistler, Vancouver, Nanaimo and Victoria. The Ministry of Small Business and Revenue administers this tax for the municipalities under the *Hotel Room Tax Act*. However, the municipal and regional district tax is separate from the HRT and has its own tax return form. For more information, please see [Bulletin HRT 007](#), *Municipal and Regional District Tax*.

## REGISTRATION

You need to register as an operator with the Ministry of Small Business and Revenue if you sell accommodation that is taxable under the *Hotel Room Tax Act*.

You do not need to register as an operator if you are a tourism agent or if you sell only exempt types of lodging. For example, you do not need to register if you offer less than four units of accommodation in British Columbia, provide accommodation in tents, or rent accommodation to the same person for a continuous period of more than one month.

For more information on whether you need to register as an operator, please see [Bulletin HRT 005](#), *Registering to Collect Hotel Room Tax*.

To register as an operator, you need to complete an *Application for Registration as an Operator* form ([FIN 430](#)). This form is available online at [www.sbr.gov.bc.ca/business/Consumer\\_Taxes/Hotel\\_Room\\_Tax/hotel\\_room\\_tax.htm](http://www.sbr.gov.bc.ca/business/Consumer_Taxes/Hotel_Room_Tax/hotel_room_tax.htm) or from the ministry or any [Service BC Centre](#). You can also register online at OneStop Business Registry at [www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)

When you register as an operator, the ministry will assign you a registration number and send you a *Certificate of Registration* along with information on how to collect and send in the HRT, and the municipal and regional district tax, if applicable.

## CHARGING HOTEL ROOM TAX

The HRT rate is 8%. You charge HRT and the municipal and regional district tax, if applicable, on the full purchase price of the accommodation unit sold. The purchase price includes any additional charges for extra beds, cots, cribs or pets, but does not include the goods and services tax (GST).

## REMITTING HOTEL ROOM TAX

When you register as an operator, the ministry will assign you a reporting period based on your projected annual taxable sales and the nature of your business. The ministry will send you tax returns for each reporting period.

Each tax return is due on the 23rd of the month following the end of your reporting period. When you send in your tax return, you send in the tax due on all sales of accommodation, including those charged to an account, whether or not your guest has paid the account.

## CONTACT US

If you have any questions, call us at 604 660-4524 in Vancouver or toll-free at 1 877 388-4440, or e-mail your questions to [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

Information is also available on the web at [www.sbr.gov.bc.ca/business/Consumer\\_Taxes/Hotel\\_Room\\_Tax/hotel\\_room\\_tax.htm](http://www.sbr.gov.bc.ca/business/Consumer_Taxes/Hotel_Room_Tax/hotel_room_tax.htm) and on the Accommodation Industry web page at [www.sbr.gov.bc.ca/industry\\_specific/accommodation/accommodation.htm](http://www.sbr.gov.bc.ca/industry_specific/accommodation/accommodation.htm)

## Federal and Provincial Income Tax

Generally, the income you receive from the rental of your property is subject to income tax, whether you own the property by yourself or with someone else.

Income from a property is considered 'rental income' if you rent space and provide basic services. If you provide additional services to tenants, such as cleaning, security and meals, you may be considered to be carrying on a business and different rules would apply.

If you receive rental income, you need to include a statement of rental income and expenses with your income tax return. Generally, you can deduct most expenses you incur to earn rental income. If you rent a portion of your property, you can claim the expenses that relate to that portion of the property.

For more information about rental income, please see [Guide T4036](#), *Rental Income*.

## Federal Non-Resident Withholding Tax

Non-residents who earn rental income from property in Canada are subject to a 25% withholding tax. This means that the person paying the rent, or his agent, is responsible for withholding 25% of the rental price and sending in this tax.

For more information about non-resident withholding tax, please see [Guide T4061](#), *Non-Resident Withholding Tax Guide*.

## Goods and Services Tax (GST)

The GST rate is 5%. You charge GST on the sale of most goods and services in Canada and on the sale of short-term accommodation of less than one month. Generally, you must register for the GST if the value of your sales is greater than \$30,000 for the calendar year. You may voluntarily register for the GST if your sales are less than \$30,000.

If you are a GST registrant, you are responsible for charging, collecting and sending in the GST on a timely basis. You can claim a credit for the GST you pay in relation to your business expenses.

To find out whether you need to register for the GST, call 1 800 959-5525 or visit [www.cra-arc.gc.ca](http://www.cra-arc.gc.ca)

To register for the GST, complete form RC1, *Request for a Business Number*, available at [www.businessregistration.gc.ca](http://www.businessregistration.gc.ca) or call 1 800 959-5525.

## More Information

**Canada Revenue Agency Online:**  
[www.cra-arc.gc.ca](http://www.cra-arc.gc.ca)

**Canada Revenue Agency Vancouver 2010 Olympic and Paralympic Winter Games Online:**  
[www.cra-arc.gc.ca/2010games](http://www.cra-arc.gc.ca/2010games)

**Income Tax Enquiries for Individuals:**  
English: 1 800 959-8281  
French: 1 800 959-7383

**Income Tax and GST Enquiries for Self-Employed Individuals and Businesses:**  
English: 1 800 959-5525  
French: 1 800 959-7775

**OneStop Business Registry:**

Online: [www.bcbusinessregistry.ca](http://www.bcbusinessregistry.ca)

Toll Free: 1 877 822-6727

**2010 Commerce Centre Online:**

[www.2010CommerceCentre.com](http://www.2010CommerceCentre.com)

**Ministry of Small Business and Revenue:**

Online: [www.gov.bc.ca/sbr](http://www.gov.bc.ca/sbr)

Email: [ctb2010wintergames@gov.bc.ca](mailto:ctb2010wintergames@gov.bc.ca)

**BC Hotel Room Tax Information:**

Toll Free: 1 877 388-4440

Vancouver Area: 604 660-4524

**Consumer Taxation Forms and Public Information Online:**

[www.sbr.gov.bc.ca/business/Consumer\\_Taxes/consumer\\_taxes.htm](http://www.sbr.gov.bc.ca/business/Consumer_Taxes/consumer_taxes.htm)

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**BC Taxpayer Fairness and Service Code:**

[www.sbr.gov.bc.ca/msbr/tfsc/tfsc.htm](http://www.sbr.gov.bc.ca/msbr/tfsc/tfsc.htm)