

Do You Need to Register as an Operator?

Hotel Room Tax Act

Effective February 16, 2005:

Tax exemption for lodging provided in qualifying industrial camps

Hotels, motels, and many similar establishments operating in British Columbia must apply to the Consumer Taxation Branch for registration as an operator under the *Hotel Room Tax Act* before commencing business. The following information will help you to determine whether or not you need to register as an operator.

Persons developing or selling accommodation under time share agreements should contact the Consumer Taxation Branch to confirm the correct application of tax to their properties.

The information in this bulletin is provided for your convenience and guidance and is not a replacement for the legislation. The *Hotel Room Tax Act* and regulations can be found on the web at www.rev.gov.bc.ca

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REGISTRATION AS AN OPERATOR

WHO MUST REGISTER AS AN OPERATOR?

If you sell accommodation that is subject to tax under the *Hotel Room Tax Act*, you must register as an operator with the Consumer Taxation Branch.

Sales of accommodation that are subject to tax include lodging in:

- hotels, motels, resorts, cabins, and similar establishments that offer **four or more units** of accommodation;
- lodging houses, boarding houses, bed and breakfast establishments, or rooming houses offering **four or more units** of accommodation;
- boats or ships moored at one location for the duration of the guests' stay that offer **four or more units** of accommodation;
- hostels and dormitories with **four or more beds** for rent;
- clubs and similar places that offer **four or**

more units of accommodation, whether or not membership is required for the lodging;

- privately-owned units (e.g., chalets, condos, cabins) sold by a private management company that offers **four or more units** of accommodation.

WHO IS NOT REQUIRED TO REGISTER?

You do not need to register as an operator if you are a tourism agent (see below) or if you sell **only** the following types of lodging.

- Lodging provided by an operator who offers less than four units of accommodation, regardless of the type of establishment. A unit of accommodation is the basic unit sold to a customer. For example, a unit of accommodation for a hotel or motel is generally a room or a suite, whereas a unit of accommodation for a hostel or dormitory is generally a bed.
- Lodging let to the same person for a continuous period of more than two months, such as apartments.
- Lodging in lodging houses, boarding houses, bed and breakfast establishments, or rooming houses having accommodation for no more than three tenants (i.e., three units of accommodation).
- Hostels and dormitories with no more than three beds for rent.
- Accommodation in tents.

- Tent or trailer sites supplied by a camp or trailer park.
- Lodging supplied to patients or residents in hospitals, nursing homes, or homes for the aged.
- Lodging where the charge for accommodation is \$20 or less per day, or \$140 or less per week.
- Lodging supplied by employers to their employees in premises normally operated by or on behalf of the employer.
- Lodging in industrial camps (facilities that provide accommodation in bunkhouses, trailers or other structures) that are operated by or on behalf of an employer or under a contract with an employer, and are operated solely for the purpose of providing lodging exclusively (over 90%) to employees of the employer, other persons engaged by the employer or to both, during periods when those persons are performing work or other services for the employer.
- Lodging supplied to passengers on a ship or train while the ship or train is in transit or is making a scheduled stopover in the province.
- Lodging supplied by religious or charitable organizations at summer camps and similar places.
- Accommodation without amenities, meaning units that are not supplied with bedding, heat, electricity, and indoor plumbing. If any one of these amenities is provided, you are required to register.
- Lodging in privately owned units (e.g., chalets, condos, cabins) sold by a private management company that offers less than four units of accommodation.

TOURISM AGENTS

The Act defines a “tourism agent” to mean a person who purchases accommodation from one or more operators and who, for payment, makes the whole or any part of that accommodation available for use by their customers as part of a tourism service.

A tourism agent is a business that arranges tour packages that include accommodation and other services, such as transportation and ticket passes to local events or facilities. For example, a tourism agent may arrange a skiing package that would include transportation from Ireland to Whistler, accommodation in local facilities, and ski lift

passes.

Tourism agents are not required to collect tax from their customers on the accommodation included in such services. However, they are required to pay tax on their cost of the accommodation.

HOW DO I REGISTER?

To register as an operator, complete an *Application for Registration as an Operator* form ([FIN 430](#)), available from all Consumer Taxation Branch and Government Agents offices. Forward your completed application form to the Consumer Taxation Branch in Victoria, or present it in person at your local Consumer Taxation Branch office.

You may also complete the form on-line and submit it electronically. The registration form is available on the Consumer Taxation Branch Web site at www.rev.gov.bc.ca/ctb

The branch will assign a registration number and send you a registration certificate along with information you will require concerning the hotel room tax.

MORE INFO: [Bulletin HRT 006, Your Responsibilities as a Registered Operator.](#)

NEED MORE INFO?

This bulletin is provided for convenience and guidance. If you still have questions call us at 604 660-4524 in Vancouver or toll-free at 1 877 388-4440 elsewhere in Canada or refer to the legislation.

Information is also on the Web at www.rev.gov.bc.ca While there, you can subscribe to our free electronic update service.

References: *Hotel Room Tax Act, Sections 1, 2, 4; Regulation 2.2.*