

# MAT Information Session



## Town of Gravenhurst

*Tue Dec 13, 2022*

# Town of Gravenhurst MAT

- MAT Date: Feb 1, 2023
- By-Law Number 2022-93
- Letter to Online Travel Agents (OTA's) to upload MAT rates online channels.
- Public Notice to display
- Town of Gravenhurst is designating ORHMA as its agent to collect and remit MAT to the City
- MAT Return - Monthly reporting tool
- Questions & Answers



# Town of Gravenhurst Municipal Accommodation tax

By-law effective Feb 1, 2023

Four percent (4%) of Room Charge

MAT is subject to HST



# MAT and HST Calculation

Room	\$ 100.00	\$85.09
MAT 4%	\$ 4.00	\$3.40
<u>Net Total</u>	<u>\$ 104.00</u>	<u>\$88.50</u>
HST 13%	\$ 13.52	\$11.50
<u>Total</u>	<u>\$ 117.52</u>	<u>\$100.00</u> (Tax Included)

Effective Tax Rate 17.52%  
(HST 13%; MAT 4%; HST on MAT .52%)



There's Benefit in Belonging

# MAT – Exemptions (Hospitality)

- Rooms rented for continuous period over 30 nights
- Rooms used by the City or its agents for shelter for the relief of the poor or for an emergency
- Complimentary Rooms supplied by employers to their employees in premises operated by the employer
- Hospitality rooms in a hotel that does not contain a bed and is used for meetings, hearings, entertaining and displaying merchandises
- Rooms “paid in advance” before Feb 1, 2023
- Accommodations in campgrounds, tourist camp or trailer park

# MAT – Exemptions (Other Sectors)

- Every board as defined in subsection 1(1) of *The Education Act*
- Universities, College of applied arts and technology and post-secondary institutions whether or not affiliated with university
- Hospitals / Long-Term Care under *The Public Hospitals Act* or *Private Hospital Act*
- Long-Term Care Homes under *Long-Term Care Homes Act, 2007*
- Charitable Shelters for the relief of the poor or for emergency
- House of refuge

# MAT – Collection

- Add MAT to Property Management System
- Create a separate line on the Guest Folio
- Add MAT to General Ledger
- Inform OTA's with a letter from the City
- MAT information be posted/communicated on hotel website, various distribution channels, Group contracts, LNR's & RFP's etc.

# MAT – Remittance (Monthly)

- Hotels to remit MAT collected on or before the 15<sup>th</sup> day of the calendar month for the prior month
- Hotels to Remit MAT to ORHMA (Designated MAT Collection Agent)
- ORHMA to provide an “MAT Reporting Tool” to Hotels to report MAT on a monthly basis.



# MAT – Penalties

- 2.0% each month as penalty
- Unpaid MAT, penalties and interest due may be added to the tax roll, it may become a lien against the property per by-law
- Section 5 & 6 of by-law # 2022-93 defines the penalties.

# MAT – Audit & Inspections

- Hotels to keep for a period no less than 6 years of documents
  - Sales of accommodation
  - Amount of the MAT collected; and
  - The remittances made to tax collection agent
- City Treasurer or a designate may inspect and audit all books, documents, transactions of Hotels
- Each Hotel to furnish upon the demand of the Treasurer or an agent for reasonable inspection, audit for the purpose of enforcement of MAT by-law

# MAT Reporting Tool (monthly)

- MAT Reporting Tool to be provided to all properties
- Information collected
  - Name of user
  - Name of the Property
  - Email address
  - Contact number
- Hotel Profile
  - Name, number of rooms, contact information of Manager, Accountant and Owner etc.

# MAT Return – Data collected (Monthly)

- Day 1 of each month – Reminder email send to users regarding the prior month
- Accounting enters the following monthly data
  - Room nights available
  - Room nights occupied
  - Rooms Revenue
  - Rooms Revenue with Exemption/reasons
- Print Monthly Invoice from the tool
- Hotel to use the invoice to remit MAT to ORHMA by the 15<sup>th</sup> of each month

