



MEDIA RELEASE

Town Council Approves Municipal Accommodation Tax By-law

For Immediate Release

June 29, 2022

At the Monday, June 20, 2022, Council Meeting, Niagara-on-the-Lake Council approved a By-law for the implementation of a Municipal Accommodation Tax (MAT), commencing July 1, 2022.

“The implementation of a MAT will be a transition over the next couple of years, as the rate increases from 2% to 3% on January 1, 2024, and to 4% on January 1, 2025,” stated Lord Mayor Betty Disero. “I look forward to seeing how this new revenue source will help to boost the local tourism economy in Niagara-on-the-Lake and provide the tourism infrastructure that both residents and visitors need.”

In August of 2021, Council passed a motion to implement a MAT within the 2022 budget for tourism projects and to place any revenues generated into a special reserve for tourism promotion, Town capital infrastructure and tourism initiatives. Council further directed that Staff form a MAT Governance Advisory Group of 7 to 9 people for consultation on the proposed MAT design and governance processes.

With the approval of this By-law, Tourism NOTL, a subsidiary of the NOTL Chamber of Commerce, is approved as the local Destination Marketing Organization (DMO). MAT revenues will be split on a 50/50 basis, net of administration costs, with the local DMO.

The MAT By-law, in compliance with *Ontario Regulation 435/17 Transient Accommodation Tax* and Council's direction, includes, but is not limited to, the following elements:

- Applicable to accommodation establishments with five or more rooms
- Starting on July 1, 2022, a rate of 2%, and moving to 3% on January 1, 2024, and 4% on January 1, 2025
 - *Bookings made before July 1, 2022, with the stay occurring after July 1, 2022, are exempt*
- Funds generated from the program will be placed into a special reserve

“Implementing the MAT will help to consistently generate revenue to support our local tourism efforts,” stated CAO Marnie Cluckie. “We hope that through the MAT, the Town can continue to strengthen its support for tourism as an economic driver.”

A new MAT Governance Advisory Committee comprising Council Member(s), Staff, Residents, DMO representative(s), and Operator(s) will help to develop approval criteria for and make recommendations about MAT-funded capital projects on an ongoing basis.

For more information about MAT, please visit www.notl.com. To review a list of frequently asked questions, please [click here](#). To review MAT By-law No. 5435-22, please [click here](#).

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