



December 16, 2021

Dear Mayor and Council,

On behalf of Guelph's Airbnb host community, we want to thank you for your leadership during these difficult times. Your government has taken a thoughtful approach to protecting public health while building a strong foundation for economic recovery.

As we begin to see hope on the horizon and attention turns to economic recovery, it's important to consider how travel and tourism can play a vital role. In particular, there is a tremendous opportunity for individuals to leverage their homes, often their most expensive and valuable asset, to earn extra income. This is particularly important as, in 2019, 52% of our hosts in the province said that they host because it helps them make ends meet. Among them, 57% are women, one of the worst impacted demographics during the pandemic<sup>1</sup>.

We understand the City is considering instituting a Municipal Accommodation Tax (MAT). The MAT is an excellent tool for municipalities to raise much-needed revenue to support local tourism and housing infrastructure. As Ontarians begin to envision the end of the pandemic and look toward economic recovery, we believe the provincial government can better support municipalities, small businesses and tourism development by making a minor change to the MAT. That small change includes making the MAT mandatory, province-wide and centrally administered for all short-term rentals, on all platforms.

Similar systems have worked well in other provinces such as Quebec and British Columbia. Since October 2017, we have been collecting and remitting the accommodation tax to the province of Quebec, and likewise for British Columbia since February 2018. For Quebec, funds are distributed back out to regional tourism organizations from where the tax was collected and in British Columbia, the province transfers those funds to municipalities where the tax was collected.

The current MAT systems do not work for a global platform like Airbnb. With over 400 municipalities in the province, platforms like ours are being asked to enter into hundreds of individual MAT collection agreements across the province. While we support collecting an accommodation tax and stand behind the communities and tourism development of the municipalities where we operate, the current system is cumbersome for most municipalities to individually implement. The above-mentioned provincial changes would cut red tape and better support municipal initiatives, and we are willing to assist the city educate and inform hosts of their obligation to collect and remit the MAT.

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<sup>1</sup> Based on a survey administered by Airbnb.



A small change for the province is a significant change for municipalities, financially and operationally. By making the tax mandatory and remitted directly to municipalities through the province, you would be able to redirect your efforts onto greater needs to better support Guelph's community.

We encourage you to reach out to the Finance and Tourism Ministers to support this proposal in calling on the Ontario government to create a province-wide system.

Sincerely,

Ji Hee Shin Etienne  
Airbnb Public Policy