

Cape Breton Island Marketing Levy



THE MUNICIPALITY OF THE COUNTY OF INVERNESS

Registration and Collection

General Information
and Guidelines

For June 1, 2012

Cape Breton Island Marketing Levy

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Marketing Levy - General Information

Registration

What is the Marketing Levy?

For the past number of years, the tourism industry partners have worked together to better coordinate tourism marketing efforts and to secure a more appropriate revenue source that would support an integrated and expanded marketing effort. Through their efforts industry businesses and municipalities supported a move to create a marketing levy to provide needed resources to market Cape Breton Island in the global tourism industry.

The marketing levy is used to establish and fund incremental tourism marketing for Cape Breton Island provided by the Destination Marketing Organization.

The Marketing Levy By-law will take effect on: June 1, 2012.

Who Should Register?

The operator of any licensed accommodation within Municipality of The Municipality of The County of Inverness consisting of ten or more rental units or rooms that are offered as lodgings is required to register with Municipality of The Municipality of The County of Inverness under the Marketing Levy Bylaw. An operator requires a registration certificate for each individual place of business.

How to Register?

To register you must complete a *Marketing Levy Registration* form and return it to The Municipality of The County of Inverness. *Marketing Levy Registration* forms can be obtained by contacting your Municipality.

When you register you are assigned a *Registration Number* (RN) that is unique to your business. Your RN will be your business identification for all your dealings with us. See *Appendix A* for line-by-line instructions for completing your Marketing Levy Registration Form.

All properties must be registered prior to May 31, 2012.

Reporting Periods and Requirements

Each month you must prepare and submit a *Marketing Levy Remittance Report* showing the amount of Marketing Levy you charged or collected from your customers and the amount of Marketing Levy you are remitting. The Report must be submitted, with the remittance, by the 15th day of the month following the collection of the levy.

Marketing Levy - General Information

Collecting the Marketing Levy

Informing Your Customers

On any receipt, bill, invoice or other document issued for accommodations, you must:

- Show the price and the total amount of Marketing Levy the customer pays or owes.
- Indicate to your customers that the Marketing Levy is subject to HST.

Calculation of the Tax

If you sell an accommodation in combination with meals and other specialized services for an all inclusive package price, the purchase price of the accommodations shall be deemed to be the purchase price of the accommodations when such accommodations are offered for sale in the same facility without such specialized services.

Changes to Your Business

If you change the address, name or nature of your business, your registration certificate must be returned to The Municipality of The County of Inverness. If you cease to carry on business the registration certificate will be void and must be returned to The Municipality of The County of Inverness within 15 days of the date of discontinuance.

A registration certificate is not transferable, therefore, if you sell your business, the registration certificate must be returned to The Municipality of The County of Inverness within 15 days of the date of sale and the new owner must apply for a new registration certificate.

HST

The Marketing Levy is not exempt from HST. Therefore, you must charge HST on the amount of the Marketing Levy when charging your customers.

Marketing Levy - General Information

Remittance of the Marketing Levy

Payment to THE MUNICIPALITY OF THE COUNTY OF INVERNESS

Remittance of the Marketing Levy collected will be reported on the *Marketing Levy Remittance Return* showing the amount of Marketing Levy you charged or collected from your customers and the amount of Marketing Levy you are remitting. Remittances are to be submitted by the 15th day of the month following the collection of the levy. A remittance form must be completed and filed even if no levy has been collected in the period.

Refund of Taxes Written Off

You are liable for the Marketing Levy you charged or collected from your customers on the day you receive payment or on the day the payment is due, whichever is earlier. We usually consider payment to be due on the date you issue an invoice or the date in an agreement, whichever comes first. Therefore, if you issue an invoice before you receive the payment, you have to include the Marketing Levy charged on this invoice in the reporting period, even if you have not yet collected the tax. Include the Marketing Levy you charged for both paid and unpaid invoices on line 6 of your Marketing Levy Remittance Report for the reporting period in which you issued the invoices.

a) **Bad Debt Adjustments**

If you already included the Marketing Levy on a credit sale on your Marketing Levy Remittance Report, and that sale became in whole or in part a bad debt, you can recover the Marketing Levy as a tax adjustment on line 7 of your return. To do this, the debt has to be written off as a bad debt in your records, and you have to deal with the person at arm's length.

If you claimed a bad debt adjustment on line 7 and you later receive a payment towards that debt, you have to include the Marketing Levy portion of that amount as an adjustment on line 8 of your Marketing Levy Remittance Report for the reporting period in which the amount is recovered.

b) **Due to Errors in Recording**

If The Municipality of The County of Inverness is satisfied that an operator has remitted an amount as collected that the operator neither collected nor was required to collect under this Bylaw, Municipality of The Municipality of The County of Inverness must refund the amount to the operator. In order to claim a refund under this Bylaw, a person must submit to The Municipality of The County of Inverness an application in writing signed by the person who paid the amount claimed, and provide sufficient evidence to satisfy The Municipality of The County of Inverness that the person who paid the amount is entitled to the refund. An adjustment for that amount should be entered on line 6 of the Remittance form.

Marketing Levy - General Information

Filing the Marketing Levy Remittance Report

To make a remittance, either:

- mail the form and remittance to the address shown on your return; or
- take the form and remittance to The Municipality of The County of Inverness

Be sure to include the original Marketing Levy Remittance Report with your remittance. Print your registration number on your cheque and make it payable to The Municipality of The County of Inverness. Do not send cash in the mail.

If you are claiming a refund or filing a nil return, mail it to the address shown on the remittance form.

Marketing Levy - General Information

Contact Information

For questions concerning registration for the Marketing Levy, or remittance of the Marketing Levy or adjustments to your remittance, contact:

THE MUNICIPALITY OF THE COUNTY OF INVERNESS
375 Main Street
PO Box 179
Port Hood, NS
B0E 2W0

Marketing Levy - General Information

Compliance

Audit

THE MUNICIPALITY OF THE COUNTY OF INVERNESS will monitor accounts for compliance with the Marketing Levy Bylaw to ensure that remittance forms are completed correctly and accurately. It is important that all operators are in compliance and are consistently submitting accurate reports. This will ensure the success of the Marketing Levy and the Island wide marketing initiatives that the monies will provide.

On a monthly rotational basis a random sampling of operators will be tested to determine accuracy of reports filed and levy monies remitted. This will be done through a visit to the operators and a check of the records from which the remittance information is taken.

Individual municipalities will be responsible for enforcement of the Marketing Levy Bylaw. In cases where non-compliance is found, the municipality will determine what action is to be taken.

There will be workshops held in each municipality to provide information to registrants with regard to the accurate completion of the registration and remittance forms. There will also be assistance available to registrants through a toll-free line.

Marketing Levy - General Information

Appendix A - Line-by-line instructions for completing Marketing Levy Registration Form

- Line 1 Corporate Name**
Enter the name under which your business is registered with the Registry of Joint Stocks.
- Line 2 Mailing Address**
Enter the address that you would like your correspondence sent to.
- Line 3 Operating Name (If different than Line 1)**
Enter the name by which your property is known for operating purposes.
- Line 4 Location of Operation**
Enter the civic or street address of the property being registered.
- Line 5 Number of Units**
Enter the number of rental units or rooms offered for lodging and for which the property is licensed under the *Tourists Accommodations Act*. For post-secondary educational institutions, enter the number of rental units or rooms being offered as lodging.
- Line 6 Contact Name/Title**
Enter the name and title of the individual we should contact if we have any follow up questions.
- Line 7 Telephone, Fax & E-mail Address**
Enter the telephone number, fax number and e-mail address of the individual identified on line 6.

Marketing Levy - General Information

Appendix B - Line-by-line instructions for completing Marketing Levy Remittance Report

- Line 1 Registration Number**
Enter the registration number (RN) issued to you by
THE MUNICIPALITY OF THE COUNTY OF INVERNESS
- Line 2 Full Legal Name**
Enter the name in which your business is registered with the Registry of Joint Stocks.
- Line 3 Operating /Trading Name**
Enter the name by which your property is known for operating purposes.
- Line 4 Contact Name**
Enter the name of the individual we should contact if we have any follow up questions.
- Line 5 Telephone Number**
Enter the telephone number for the individual identified on line 4.
- Line 6 Total Room Revenue for Period:**
Enter the total amount of room sales shown in your records. Do not include the Marketing Levy or any amounts you reported on a previous return.
- Line 7 (Deduct): Adjustments:**
Complete line 7 only if you have to make adjustments to **decrease** the amount of your room revenue for the reporting period. Enter the total of all adjustments. For example: Refund of Levy Written off: the amount of any room revenue in bad debts you write off if you have previously accounted for the full amount of room revenue on the room.
- Line 8 Add: Adjustments:**
Complete line 8 only if you have to make adjustments to **increase** the amount of your revenue for the reporting period. For example: If you wrote off the room revenue amount of any bad debts in a previous return and then recovered some or all of those debts, add the amount of room revenue you have recovered.
- Line 9 Adjusted Room Revenue subject to Tax in reporting period:**
Add lines 6 through 8 and enter the result.
- Line 10 Marketing Levy Collected:**
Multiply your total adjusted sales in Line 9 by 2% and enter it on line 10.
- Line 11 Marketing Levy Remitted:**
This amount should equal the amount on line 10 and the amount on the remittance cheque.

Signature

The Remittance Report must be signed by an authorized signing officer.

Marketing Levy Property Registration Form

This form must be completed and returned by May 31, 2012.

Please refer to Marketing Levy Information and Guidelines Kit included with this form.

To Be Completed by Registrant.

1. Corporate Name:

2. Mailing Address:

Postal Code

3. Operating Name:
(If different from above)

4. Location of Operation:
(Civic Address)

5. Number of Rental Units:

6. Contact Name/Title:

7. Telephone:

Fax:

E-Mail Address:

I attest, on behalf of the organization, that the information provided above is accurate and complete.

Authorized Signature:

Return Completed Form to:
THE MUNICIPALITY OF THE COUNTY OF INVERNESS - *Marketing Levy*

375 Main Street
PO Box 179
Port Hood, NS B0E 2W0



For Office Use Only

Date Received:

Information Reviewed By:

Registration Number:

Registrant Advised of Number by:

Date Advised:

Marketing Levy Remittance Report
THE MUNICIPALITY OF THE COUNTY OF INVERNESS

375 Main Street
PO Box 179
Port Hood, NS B0E 2W0

Reporting Period: From ____/____/____ to ____/____/____
dd / mm / yy dd / mm / yy

Registrant Information:	
1. Registration Number:	
2. Corporate Name:	
3. Operating Name: (If different from above)	
4. Contact Name:	
5. Telephone Number:	

Remittance Information	
6. Total Room Revenue for Period:	\$
7. (Deduct): Adjustments for Bad Debts and Refund due to Errors:	\$
8. Add: Adjustments to Revenue	\$
9. Adjusted Room Revenue subject to Levy in reporting period:	\$
10. Marketing Levy Collected:	\$
11. Marketing Levy Remitted:	\$

(Amount collected should equal amount remitted. Please explain any variances below.)

Make cheques payable to: **THE MUNICIPALITY OF THE COUNTY OF INVERNESS**

Mail to: Financial Services, Marketing Levy at the above address, Remittances are to be submitted by the 15th day of the month following the collection of the levy.

Date

Signature - Authorized Signing Officer



Registration Certificate

THE MUNICIPALITY OF THE COUNTY OF INVERNESS
MARKETING LEVY

Name _____

Registration Number: _____

Date Issued

Signed