

# Accommodation Providers to Natural Resource Industries

## *Hotel Room Tax Act*

**Do you provide accommodation to the oil and natural gas, mining or forest industries?**

**Do you know when you need to register as an operator and charge hotel room tax?**

This bulletin provides specific tax information to help accommodation providers in the natural resource industry understand how the hotel room tax (HRT) applies to their businesses. The natural resource industry includes oil and natural gas, mining, and logging.

## Registration as an Operator

### When to Register

If you offer four or more units of accommodation **at any time** (even if all the rooms are not always rented), you register as an operator with the ministry and charge your guests HRT. For more information, please see [Bulletin HRT 005](#), *Do You Need to Register as an Operator?*

### When Not to Register

You do not need to register as an operator or charge HRT if you sell **only** the following types of lodging.

- Lodging of less than four units of accommodation. 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. 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 one month, such as apartments.

- 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 where the charge for accommodation is \$30 or less per day, or \$210 or less per week.
- Lodging in industrial camps (see below for full details).
- Accommodation without amenities, which means units with no bedding, heat, electricity or indoor plumbing. If any one of these amenities is provided, then you are required to register.
- Lodging in privately owned units (e.g. chalets, condos, cabins) sold by a property management company that offers three or fewer units of accommodation.

## Lodging in Industrial Camps

### When Not to Charge Hotel Room Tax

Lodging provided in qualifying industrial camps is tax-exempt. Industrial camps, sometimes called “closed camps,” are generally located in remote areas and provide lodging for people who work in a natural resource industry.

Qualifying industrial camps are 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 to provide lodging exclusively to employees or contract workers while they are performing work for the employer.

Exclusively means over 90%. This may be calculated as 90% of the time or 90% of the clientele over a one-year period.

If you are operating an industrial camp where you have contracts with several different employers, you are eligible for the exemption provided the camp meets the above criteria.

In an industrial camp, you may occasionally sell accommodation to backpackers, other travellers or to government employees. HRT does not apply to the charge for such accommodation, provided the camp is used over 90% to provide lodging to people who perform work for an employer.

## When to Charge Hotel Room Tax

You charge HRT if you rent accommodation to a customer's employees in a hotel, motel, resort or other facility that provides accommodation to the general public. In these cases, HRT applies to the cost of the accommodation.

You charge HRT from your customers in an "open camp" unless it qualifies as an industrial camp. Open camps are similar to industrial camps in that they provide lodging to persons working in remote areas. However, open camps also provide lodging to anyone, not just employees or employers' contractors. Usually customers are charged for lodging on a daily or weekly basis, with meals charged separately. In these cases, HRT applies to the cost of the accommodation, unless the camp meets the requirements of an industrial camp.

## Other Bulletins

The following are additional bulletins relevant to your business.

**Bulletin HRT 002**, *Fishing Lodges, Guide Outfitters, Guest Ranches and Accommodation Packages* - provides information on how tax applies to accommodation packages that include meals.

**Bulletin HRT 006**, *Accommodation – Registered Operators of Hotels, Motels or Other Lodgings* - provides information on how and when to collect and send in hotel room tax; how social service tax (PST) applies to purchases for business use.

## Need more info?

Oil and gas website: [www.sbr.gov.bc.ca/ctb/OilandGas.htm](http://www.sbr.gov.bc.ca/ctb/OilandGas.htm)

Telephone (Vancouver): 604 660-4524

Toll-free in Canada: 1 877 388-4440

E-mail: [CTBTaxQuestions@gov.bc.ca](mailto:CTBTaxQuestions@gov.bc.ca)

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation. The *Hotel Room Tax Act* and Regulations are on our website at [www.sbr.gov.bc.ca/ctb](http://www.sbr.gov.bc.ca/ctb)

References: *Hotel Room Tax Act*, Sections 1, 2, 4 and 6, and Regulations 2.2, 2.2(1) and 2.2(2)