



-FOR IMMEDIATE RELEASE-

Airbnb and BC Provincial Government Tax Remittance Agreement *Response to the BC Provincial Government announcement on Short Term Rental Taxation*

(Vancouver, BC) February 7, 2018 – The British Columbia Hotel Association (BCHA) and the Tourism Industry Association of British Columbia (TIABC) are pleased with the recent announcement from the BC Provincial Government regarding taxation for short term rentals. It is positive to see that the Provincial Government has begun to take steps to ensure proper and fair taxation of short-term rentals, and we look forward to reviewing further details on the proposed benefit of funding housing affordability measures across the province.

The BCHA and TIABC have been working together with government to provide recommendations for tax regulation of short-term rentals, with the aim to reduce the impact on the monthly rental housing stock and to increase access to affordable housing.

While we wait and see if this agreement will provide any greater access to monthly housing stock, we are optimistic that the collection of these taxes will begin to empower local governments in their enforcement of existing regulations for short-term rentals. The impact of the affordable housing shortage is felt most acutely on a local level. "The agreement between the province and Airbnb is a very positive step for British Columbia's visitor economy. Communities throughout the province will benefit from additional marketing dollars for tourism," said Walt Judas, CEO of the Tourism Industry Association of British Columbia (TIABC). "At the same time, we are hopeful that Airbnb and other platforms will share data to help local communities understand the scope of the short-term rental economy and to ensure that hosts comply with local regulations."

"In the study released in September by the BCHA, in partnership with the Hotel Association of Canada, it is estimated in Metro Vancouver that hotel room sales generate \$177 million in consumer taxes and fees. Moving to apply the same rates to BC's Airbnb sector, there is the potential to generate an estimated \$15.5 million from the Vancouver area alone," said John Kearns, Chairman of the BCHA Board. "This tax revenue can make a significant impact on access to affordable housing, if properly directed."

As noted in the 2017 BC Chamber of Commerce Resolution, **Regulate and Manage the Emerging Short-Term Rental Business Enterprise**, "Reasonable access to monthly rental housing is important to the business community both as an economic driver in its own right, and as a competitive advantage in attracting a stable workforce and securing community growth." Access to affordable housing has suffered by the ease with which landlords have been able to switch their property from monthly to nightly rental housing. We are confident that if the funds are responsibly linked to affordable housing enforcement initiatives, we will see a positive economic impact on a wider scale.

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For more information or to schedule an interview, please contact:

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