

Proposal to Implement the Additional Hotel Room Tax for Haida Gwaii

What is the Additional Hotel Room Tax (AHRT)?

The AHRT is a 2% tax levied on guests staying at an accommodation establishment. Exempt from the AHRT are campgrounds, hostels, cabins, and lodging with 3 or fewer units. This revenue is collected by the Province and given back to the region through the local tourism Destination Marketing Organization (DMO). A branch of the Misty Isles Economic Development Society (MIEDS) has been established to undertake this tourism marketing coordination and work as the DMO for Haida Gwaii. The annual funding from the AHRT that will be directed specifically to marketing Haida Gwaii is estimated at \$120,000.

What's in it for the accommodation sector and tourism on Haida Gwaii?

With the establishment of the first Haida Gwaii DMO, tourism stakeholders on the islands now have a vehicle to work collaboratively together in order to more effectively attract visitors. For the first time there will be a coordinated and organized effort on behalf of the whole Islands to address some of the threats and weaknesses that have been identified for our industry such as: the limited access to the islands; the need to develop off-peak visitation; lack of infrastructure; staff hospitality education; dedicated tourism staff, and the competitive global marketplace.

By accessing this new funding resource and pooling the islands tourism funding sources, we can leverage other grant programs such as the Community Partnership Program grant with Northern BC Tourism and participate in other cooperative marketing opportunities. This enables us to reach a wider audience through more impactful and dynamic marketing campaigns and host media people who write about on the Islands.

The possible inclusion of the Resort Region Tax Transfer Program

The Resort Region Tax Transfer Program is the next step and potentially greatest benefit of implementing the AHRT. Through a separate process, the Resort Region program will give Haida Gwaii access up to 4% of the Hotel Tax currently collected or the HST once it is in place. This program will give the Islands access to unprecedented tourism funding resources. However, the AHRT is a prerequisite of this program to bring some of the HST back to here.



Haida Gwaii is certainly a place of wonder; one which is often on people's "bucket list". In most cases we just need to position ourselves in front of them as the preferred option. Some local people have voiced concern that the Islands are not ready to deal with more visitors, but the question back is "If they don't come, will you build it and hope that they will?"