

Ontario Staycation Tax Credit

Non-Accommodator Information Package

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Overview

Ontario residents can claim 20% of their eligible 2022 accommodation expenses, for example, for a stay at a hotel, cottage, or campground, when filing their personal Income Tax and Benefit Return for 2022. You can claim eligible expenses of up to \$1,000 as an individual or \$2,000 if you have a spouse, common-law partner, or eligible children, to get back up to \$200 as an individual or \$400 as a family.

Eligible Expenses

You can claim the Ontario Staycation Tax Credit for accommodation expenses for a leisure stay of less than a month in Ontario, at a short-term accommodation or camping accommodation, such as a: hotel, motel, resort, lodge, bed-and-breakfast establishment, cottage, campground.

Short-term accommodation would generally not include timeshare agreements, or a stay on a boat, train or other vehicle that can be self-propelled.

The tax credit only applies to leisure stays between January 1, 2022, and December 31, 2022, regardless of the timing of payment for the stays. The tax credit does not apply to business travel.

The accommodation expenses must also:

- have been paid by you, your spouse or common-law partner, or your eligible child, as set out on a detailed receipt
- have been subject to Goods and Services Tax (GST)/Harmonized Sales Tax (HST), as set out on a detailed receipt
- not have been reimbursed to you, your spouse or common-law partner, or your eligible child, by any person, including by a friend or an employer

As long as all other conditions are met, you can claim any of the following expenses:

- accommodation for a single trip or multiple trips, up to the maximum expense limit of \$1,000 as an individual or \$2,000 as a family
- accommodations booked either directly with the accommodation provider or through an online accommodation platform
- the portion of the expense that is necessary to have access to the accommodation
- the accommodation portion of a tour package expense

How To Claim The Credit

You must keep your detailed receipts for any eligible expenses you incur. Those receipts should include at least all of the following information:

- the location of the accommodation
- the amount that can reasonably be considered to be for the accommodation portion of a stay
- the GST/HST paid
- the date of the stay
- the name of the payor

You can claim the credit on your personal Income Tax and Benefit Return for 2022.

The Ontario Staycation Tax Credit is a refundable personal income tax credit. This means that if you are eligible, you can get this tax credit regardless of whether you owe income tax for 2022.

How can my business benefit from the Staycation Tax Credit if I do not sell accommodation?

- One of the premises of the Staycation Tax Credit is more people will travel if the cost is lower to travel. The second premise is that, to enhance the recovery of the tourism industry, the businesses need to get full value for their products and services, not to discount. This tax credit will motivate a larger volume of the public to travel again without the businesses cutting their selling price. Your business can benefit in a number of ways; increasing volume to your business from the accommodator is the main way (remember: the guests of the accommodator could be saving up to 20% of their accommodation cost).
 - The following are some examples of how you can take advantage of the Staycation Tax Credit.
 - Create a package with the accommodator close by:
 - If you run a restaurant, create a unique room/meal package with the accommodator. By creating a unique meal package, you do not need to discount your menu prices. You could also create an experience for the guests of your accommodation partner.
 - If you provide guiding services, create a unique package with the nearby accommodator that includes your services. By creating a unique package, you do not need to discount your fees.
 - Strengthen your relationship with the accommodator.
 - Consistently provide current information about your services/offerings to the owners/managers and, most importantly, the staff of the accommodation so they can refer your product/service.
 - This could take the form of
 - Daily/weekly email and/or social media updates of services available being shared with the accommodators.
 - Daily sell offs of unused inventory that is only available to the accommodator's guests.
 - Share Facebook and other social media posts of the accommodators' offerings and advertise how they will match up with your services and ask the accommodator to hashtag/mention you in their posts.
 - Provide priority reservations for guests of the accommodator.
 - Make it easy for the accommodator to send your business guests
 - Showcase your products at the accommodator. Home décor stores could decorate the lobby or rooms. Local food manufacturers or cafes could feature their products on their menus or in the rooms.
 - Strengthen your relationship with other businesses
 - If there are businesses that the guests of your business frequent, create a unique package with one or more of those businesses to offer for sale.
 - Promote other places where your products are for sale.
 - Connect more often and provide updates to your local Destination Marketing Organization, Chamber of Commerce, Municipality, other tourism organizations and let them know that you have products and services that would benefit the visiting public whether staying over or not.
 - Add your package or promotion to the Promotions page on BruceGreySimcoe.com.

How should I inform my guests about the Ontario Staycation Tax Credit?

- Update your website to encourage your guests to stay at a local accommodation and take part in your experience while staying nearby. Your guest will then be able to claim the Ontario Staycation Tax Credit on the accommodation costs.
 - i.e. Enjoy our products while staying at XXX.
- List packages that you have with nearby accommodators.

- Provide a copy of the Consumer Information Package to your guests and on your website.
- Develop an advertising campaign with the nearby accommodators/DMOs/other businesses to inform the travelling public of the Ontario Staycation Tax Credit. RTO7 can help you with this.

Frequently Asked Questions

Q) I do not run a business that sells accommodation. Are my guests eligible for the Ontario Staycation Tax Credit?

A) No. The product or experience that you provide is not an eligible expense for the Ontario Staycation Tax Credit.

Q) Are meal costs or activity costs eligible for the Ontario Staycation Tax Credit?

A) No. The meal costs and activity costs are not eligible for the Ontario Staycation Tax Credit.

Q) What is the applicable time period for the Ontario Staycation Tax Credit?

A) The Ontario Staycation Tax Credit is applicable from January 1, 2022 to December 31, 2022 for leisure travel only.

Q) Do I need to complete a special form for the guest to be able to claim the tax credit?

A) No, you do not need to complete a special form but the accommodator will need to provide a receipt that details the following in order for the claim to be successful:

- the location of the accommodation
- the amount that can reasonably be considered to be for the accommodation portion of a stay
- the GST/HST paid
- the date of the stay
- the name of the payor

Q) Is there any information that I can provide to the guest prior, during, or after their visit with us that breaks down the Ontario Staycation Tax Credit?

A) Yes. You can download and print/send the attached Ontario Staycation Tax Credit Consumer Information Package located on RTO7.ca. [Click here.](#)

Q) Are residents from outside of the province of Ontario eligible for the Ontario Staycation Tax Credit.

A) No.

Regional Tourism Organization 7 (RTO7) recommends that all businesses and individuals verify the information provided above to their satisfaction by visiting [Ontario Staycation Tax Credit](#) and checking with their professional advisors. All information provided above is subject to change as more information if any is made available.