

Airbnb to collect provincial, municipal taxes on short-term rentals in B.C.

Additional \$21 million will help fund housing affordability, tourism

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B.C. and Airbnb have reached an agreement that will see the online short-term rental company collect provincial and municipal taxes through its platform.

Minister of Finance Carole James says the move will help fund housing affordability measures for B.C.

"British Columbians want access to the sharing economy — and they want it

to be fair," said James.

"This initiative will provide additional revenues to address housing affordability and it improves tax fairness for all British Columbians."

Airbnb will be collecting the eight per cent provincial sales tax — amounting to an estimated \$16 million annually, which government will earmark for affordable housing — and up to three per cent municipal and regional district tax, an estimated \$5 million, which will go toward promoting tourism.

This is the first time Airbnb has reached an agreement with a province on remitting PST.

A number of B.C. cities, including [Victoria](#) and [Vancouver](#), have instituted their own regulations, forcing people posting properties on sites like Airbnb to pay an annual licence, with fines for people who don't comply.

Last year, Quebec [announced a province-wide 3.5 per cent Airbnb tax](#), which the company collects and gives to the province on every rental, with the money raised funding the province's 22 regional tourism offices.

There are 18,500 Airbnb hosts currently operating in the province.

B.C. will be moving toward similar agreements with other accommodation platforms like VRBO in the near future.