

## **IMPORTANT NOTICE TO OWNERS OF RENTAL PROPERTIES WHO DO BUSINESS WITH AIRBNB**

A supplier/owner of rental properties who **is registered for the GST/HST/QST** and who provides taxable rentals via an accommodation platform, such as Airbnb, is required to remit to Revenu Quebec the GST/HST/QST collected from the rentals. The platform may collect the GST/HST/QST from the renter but must transfer the collected amounts to the supplier/owner, who subsequently remits them to Revenu Quebec.

In practice, however, compliance with these new rules is poor. For example, we observed that the widely-used platform Airbnb frequently remits the GST/HST/QST directly to Revenu Quebec even when the supplier/owner is registered for GST/HST/QST and provided Airbnb with his/her GST/HST/QST account numbers.

Suppliers/owners of rental properties who are not in compliance with the law are at risk of being assessed by Revenu Quebec for taxes that have been collected but not remitted even if these taxes were remitted to Revenu Quebec by Airbnb.

**It is therefore imperative that all suppliers/owners of rental properties who are registered for the GST/HST/QST configure their profile on Airbnb to ensure that they receive the taxes collected by Airbnb on rentals instead of Airbnb directly remitting the taxes to Revenu Quebec.**

Unfortunately, the Airbnb platform is not user-friendly and it is not obvious where to enter tax information to ensure proper profile set-up. We prepared this communication to assist our clients and business partners in complying with the law and avoid disputes in future tax audit. This communication illustrates the steps required for the supplier/owner to correctly configure his/her tax profile on Airbnb. Detailed instructions can be found in Sections 1 and 2 on the following pages.

Note that in situations where the supplier/owner **is not registered for GST/HST/QST**, Airbnb is required to remit the GST/HST/QST collected from the renters.

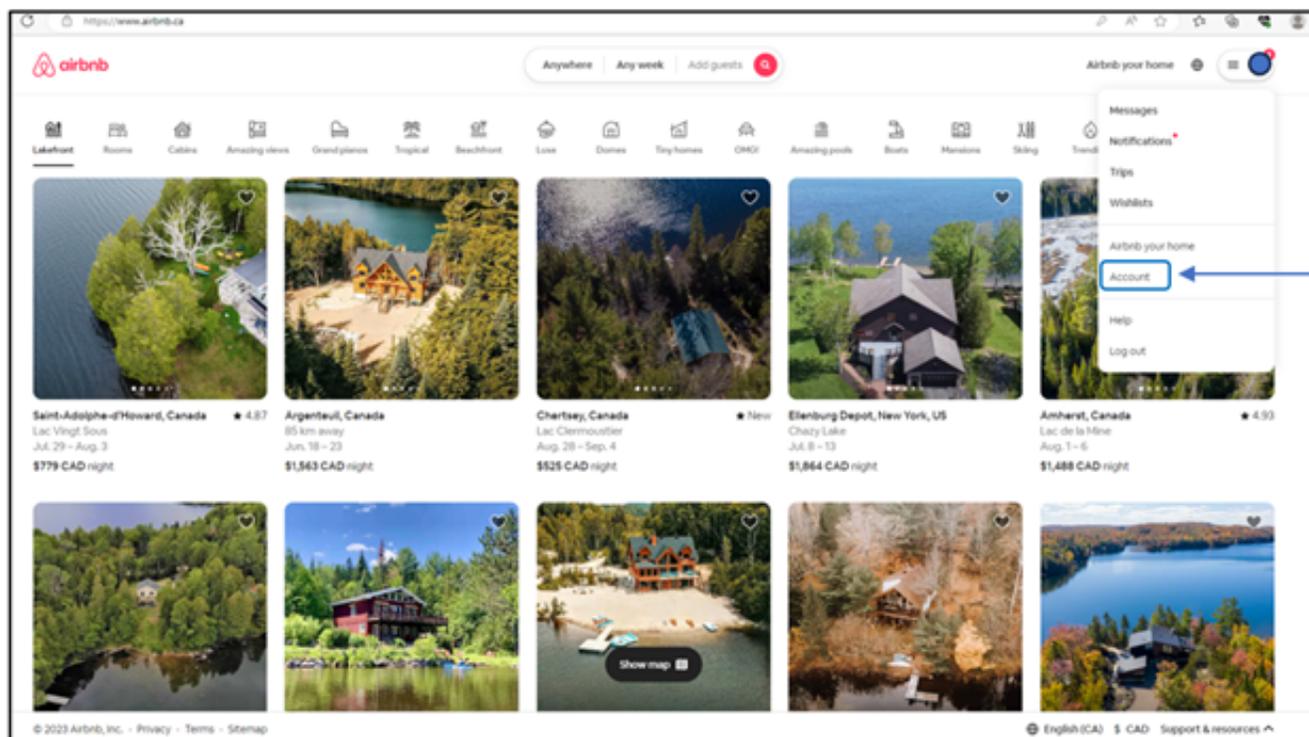
An agreement concluded in 2017 between Airbnb and Revenu Quebec allows Airbnb, with some exceptions, to collect and remit the Tax on lodging directly to Revenu Quebec on behalf of all suppliers/owners, regardless of whether or not they are registered for this tax.

An agreement concluded in 2017 between Airbnb and Revenu Quebec allows Airbnb, with some exceptions, to collect and remit the Tax on lodging directly to Revenu Quebec on behalf of all suppliers/owners, regardless of whether or not they are registered for this tax.

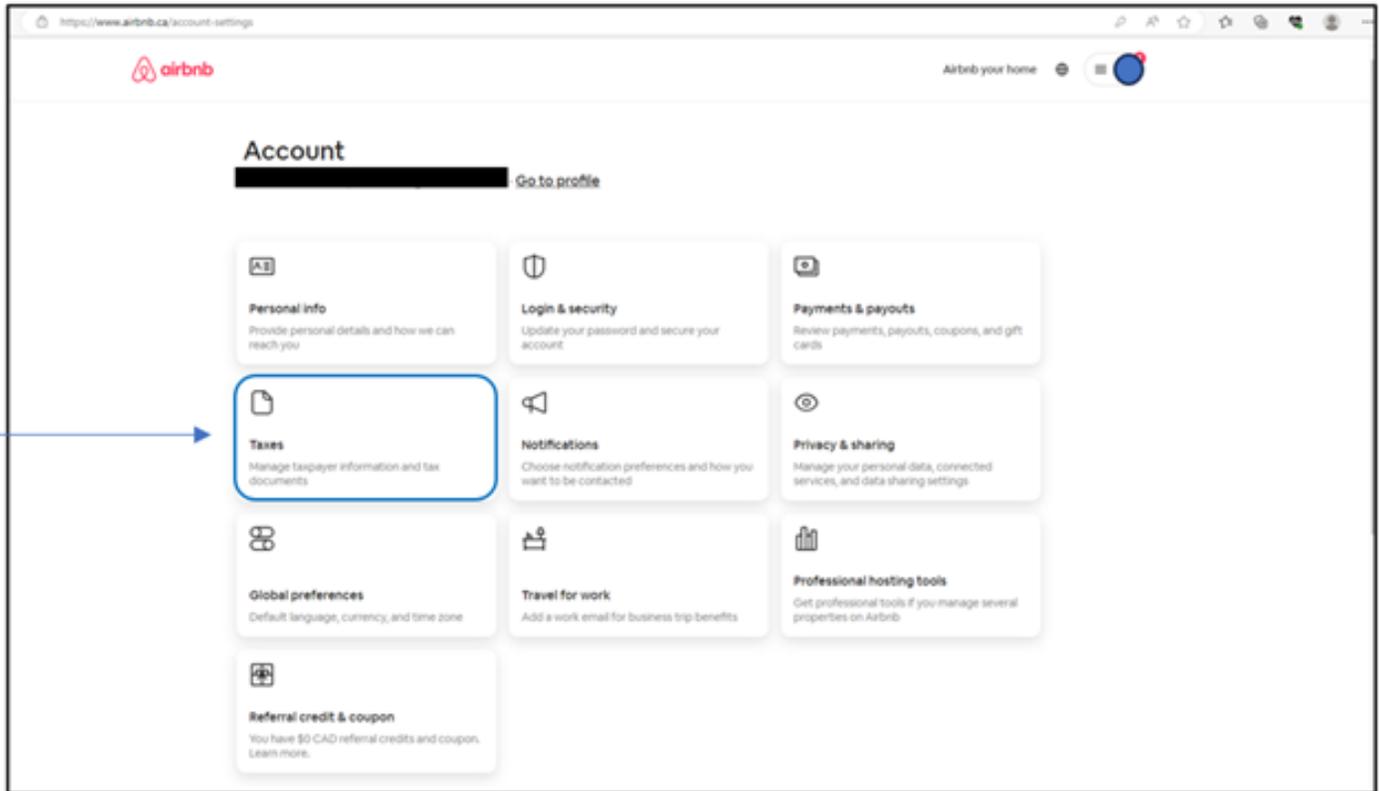
## Section 1

### Adding GST/HST/QST registration numbers to the supplier/owner's profile on the Airbnb website

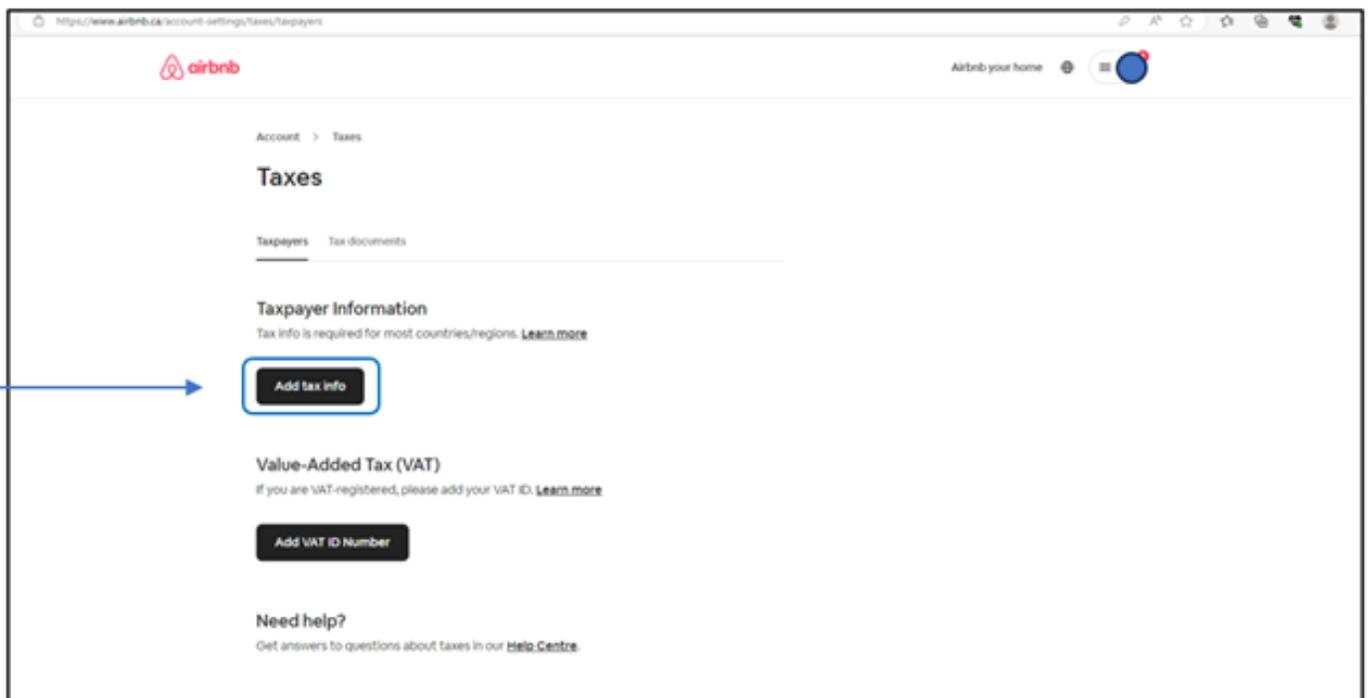
**Step 1:** Go to the “account” section of your profile



## Step 2: Click on "Taxes"



## Step 3: Click on "Add tax info"



**Step 4:** Enter the requested information (Taxpayer info, GST ID, QST ID, HST ID). Please note that “HST ID” is the same number As “GST ID”

The screenshot shows the 'Canada Taxes' form on the Airbnb website. The form is titled 'Canada Taxes' and includes the instruction 'Add a few details about your taxpayer status'. The form contains several input fields, each with a blue arrow pointing to it from the left. The fields are: 'Taxpayer Name' (with a blacked-out value), 'Taxpayer Last Name' (with a blacked-out value), 'Taxpayer Business Name (Optional)' (with the placeholder 'E.g. Business Name'), 'GST ID' (with the value '123456789 RT 0001'), 'HST ID' (with the value '123456789 RT 0001'), 'GST ID (Optional)' (with the value '999999999 1Q 0001'), and 'First Nations Identity Number' (with the value '1234567891'). A 'Save' button is located at the bottom right of the form. To the right of the form is a callout box titled 'Why add my Canada Tax information?' with a lightbulb icon and three bullet points explaining the importance of providing this information.

**Canada Taxes**  
Add a few details about your taxpayer status

Taxpayer Name  
[Redacted]

Taxpayer Last Name  
[Redacted]

Taxpayer Business Name (Optional)  
E.g. Business Name

GST ID  
123456789 RT 0001

HST ID  
123456789 RT 0001

GST ID (Optional)  
999999999 1Q 0001

First Nations Identity Number  
1234567891

Save

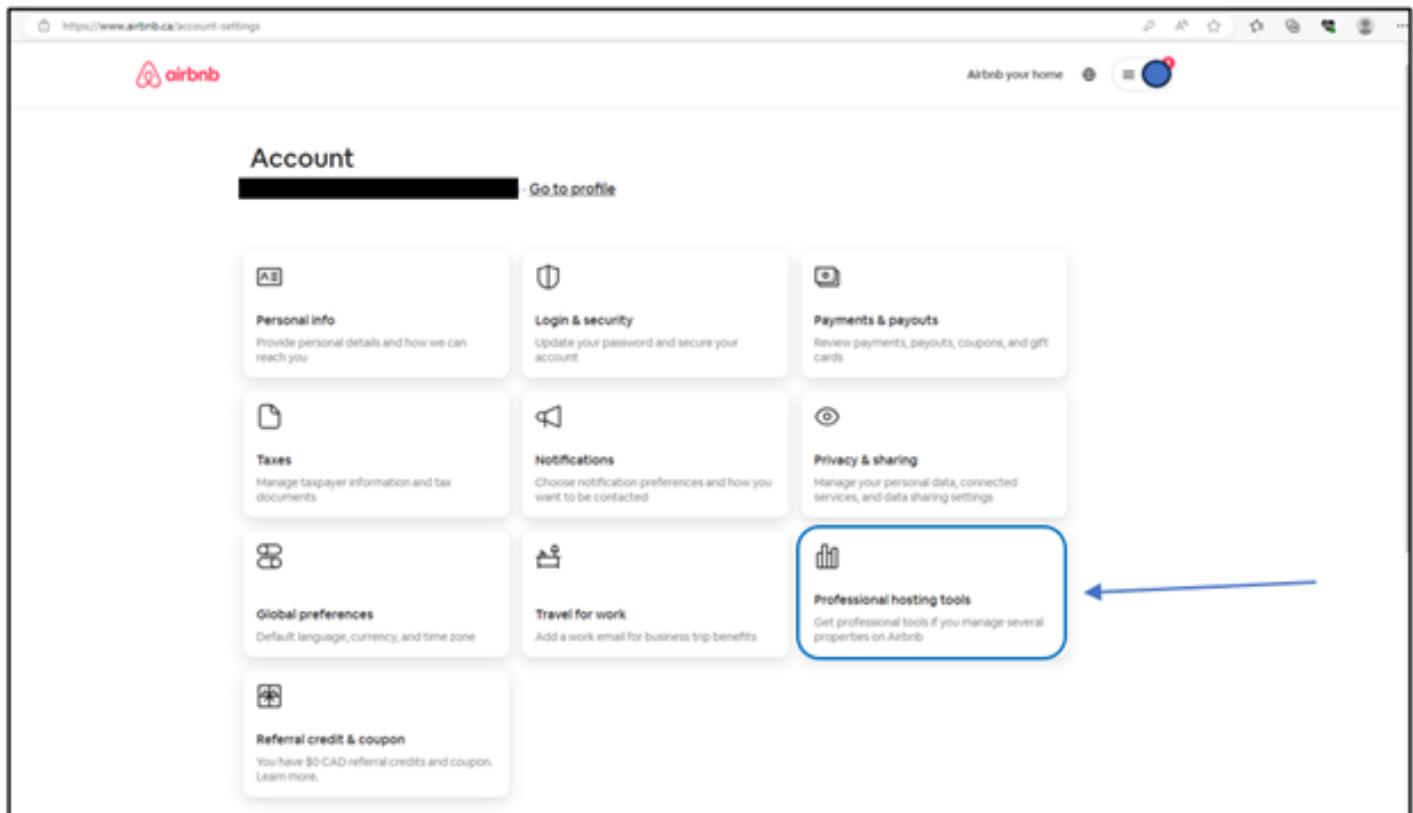
**Why add my Canada Tax information?**

- Under the Canadian Fall Economic Statement 2020, Airbnb is required to charge GST, HST, and QST on bookings effective July 1, 2021.
- Adding your GST, HST, or QST numbers may exempt you from being charged the respective tax on our service fees and the accommodation price.
- If you are a First Nations person, please enter your 10-digit registry number as found on your status card.

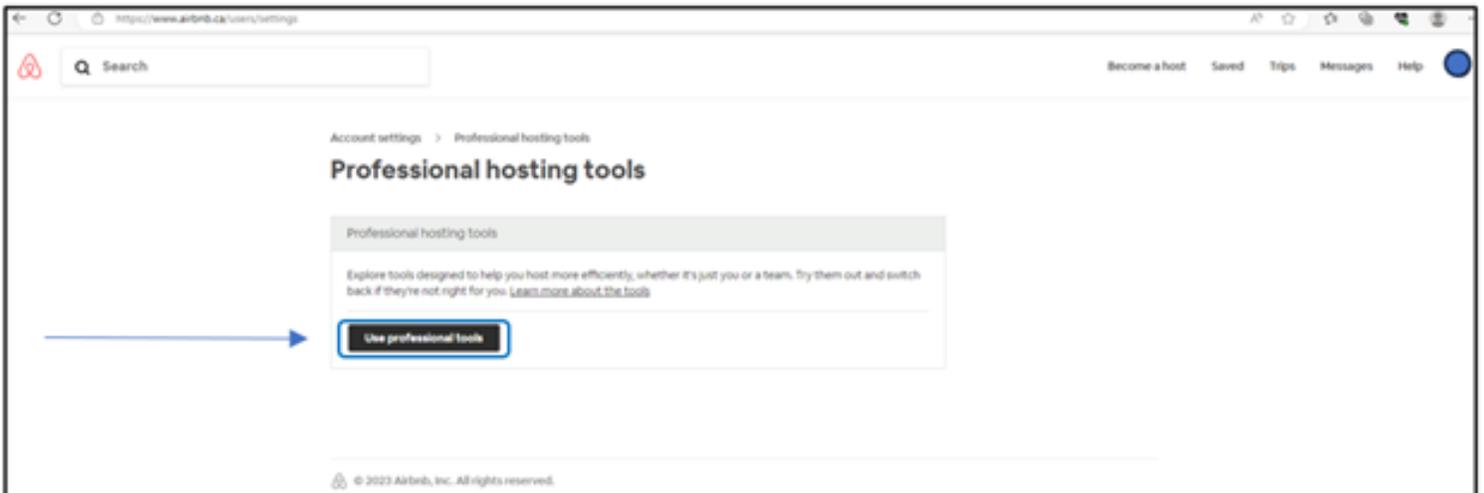
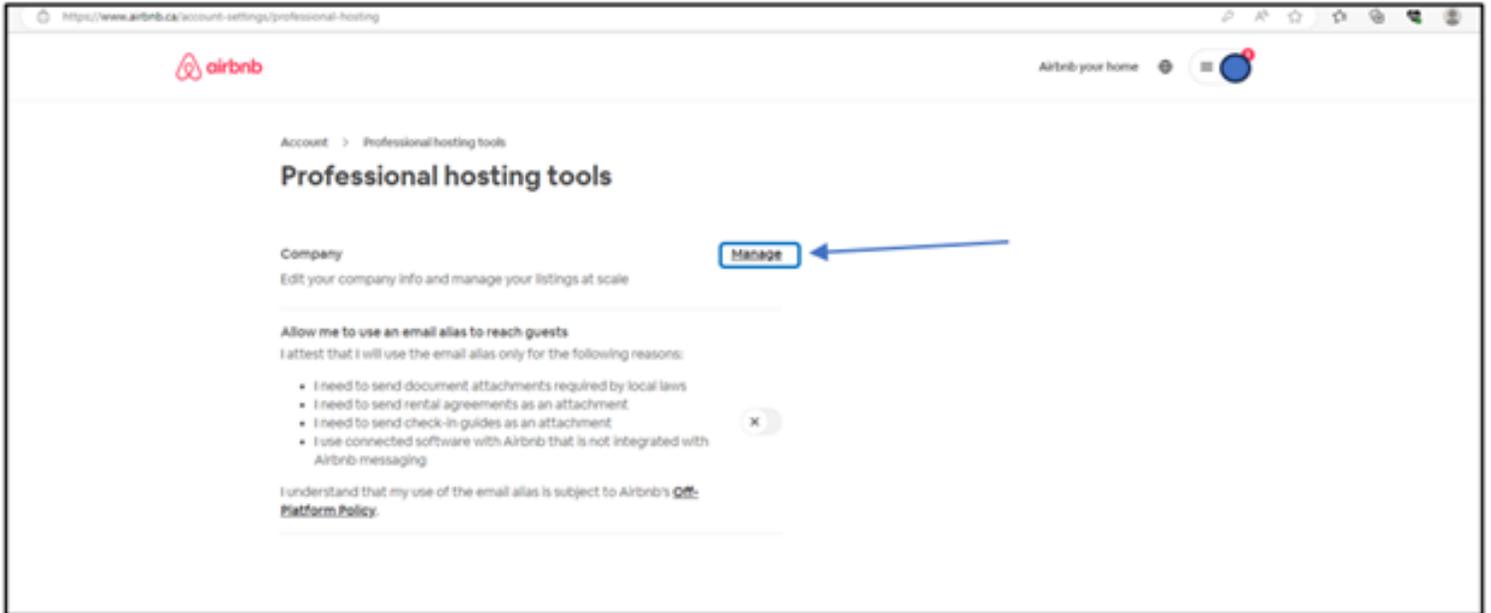
## Section 2

### Configuring the supplier/owner's Airbnb profile to ensure that the taxes collected by Airbnb are remitted to the supplier/owner instead of Revenu Quebec

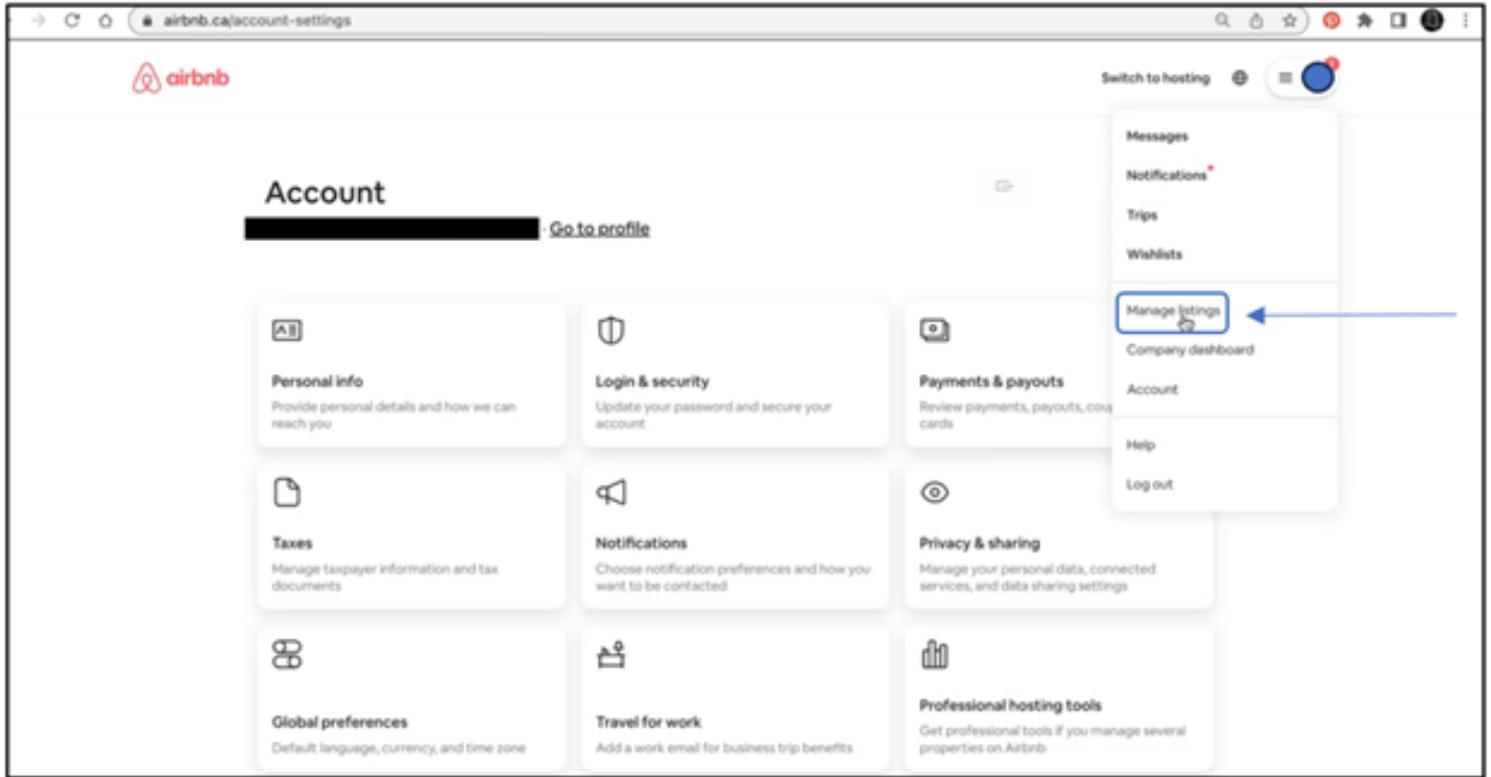
**Step 1:** Still in the “Account” section of your profile, click on “Professional hosting tools”



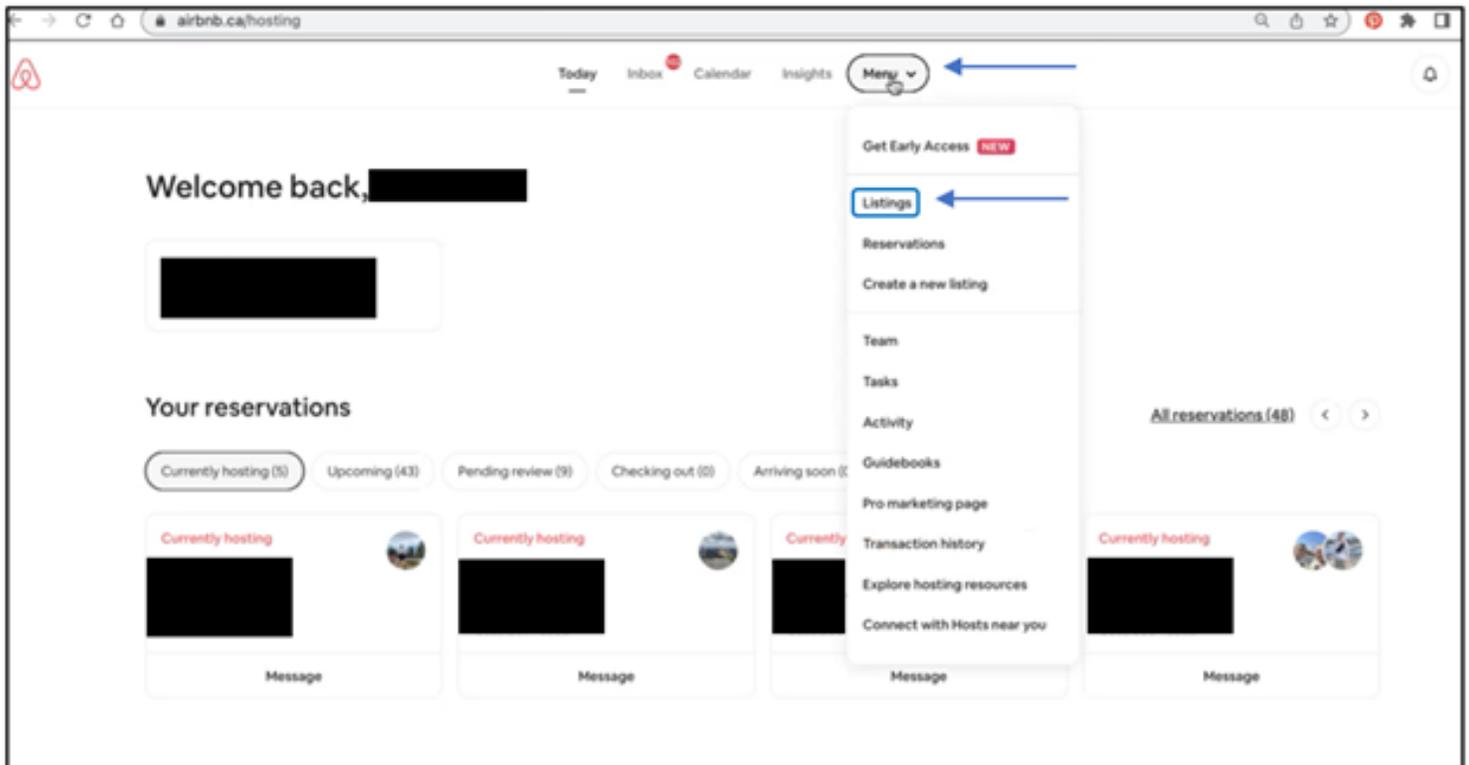
**Step 2:** click on “Manage” and then “Use professional tools”



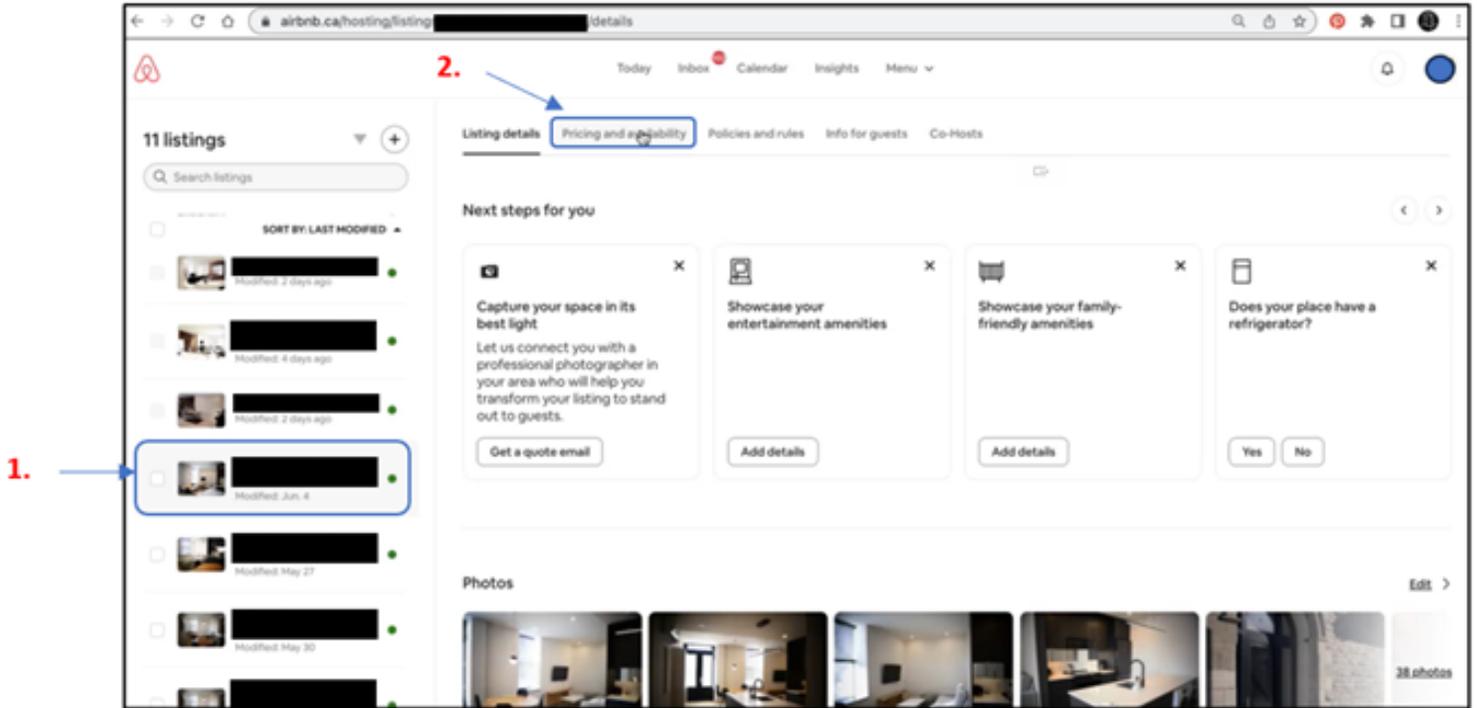
## Step 3: Return to your profile and select “Manage listings”



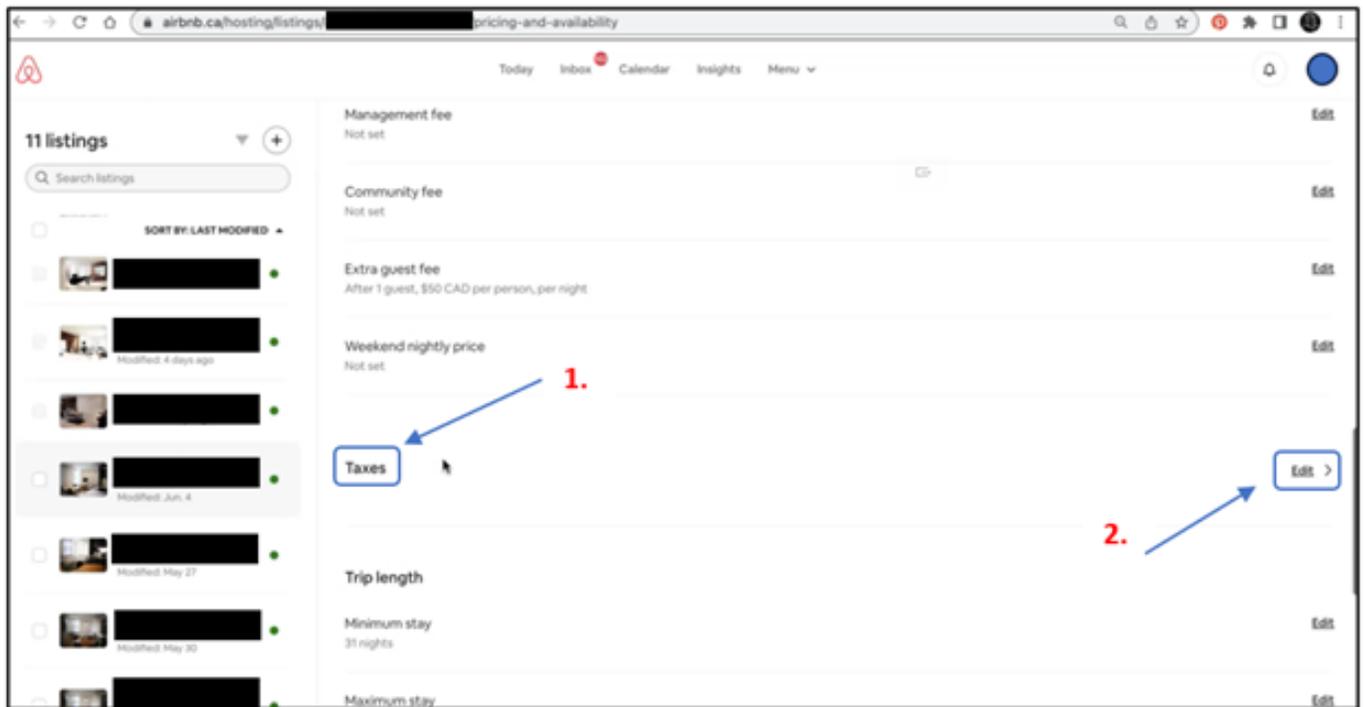
## Step 4: Click on “Menu” and then “Listings”



**Step 5:** Select the listing for which you want to add tax information and then click on “Pricing and availability”



**Step 6:** Go to the “Taxes” section and click “edit”



## Step 7: click “Add a tax”



## Step 8: for GST/HST:

1. Select VAT/GST
2. Tick all the boxes in “Taxable base” whether or not these charges are invoiced
3. Add your GST/HST number in the box “Business tax ID”
4. Add your tax on lodging number in the box “Accommodation tax registration number”. if you do not have this number, please write “N/A”
5. Please consult your tax advisor to determine what to include in the section “Long term stays” outlined in red. Your tax obligations will vary depending on the type of building and rental you provide.

**Add a tax**  
This tax will be collected for any new bookings. If this tax is remitted to you, you are responsible for submitting, paying and reporting the correct amount to the tax authorities. In some jurisdictions, we will instead remit this tax directly to local tax authorities. Refer to the pricing and availability section for more information.

**Tax type**  
VAT/GST

**Type of charge**      **Amount**  
Percentage per booking      \$ %

**Taxable base**  
Learn more

- Base price
- Management fee
- Community fee
- Linens fee
- Resort fee
- Cleaning fee
- Pet fee

Maximum cap per person per night  
\$

Maximum cap per person per night  
\$

Learn more

**Don't forget to re-assess your nightly rate**

**Business tax ID**  
You can find this number on your tax registration documents

I do not have a business tax ID

**Accommodations tax registration number**  
You can find this number on your tax registration documents

Learn more

**Does your jurisdiction provide exemptions for long-term stays?**  
Tax may not apply to bookings longer than a certain number of days. Learn more

Yes (long-term stay exemption)

Yes (conditional exemption)

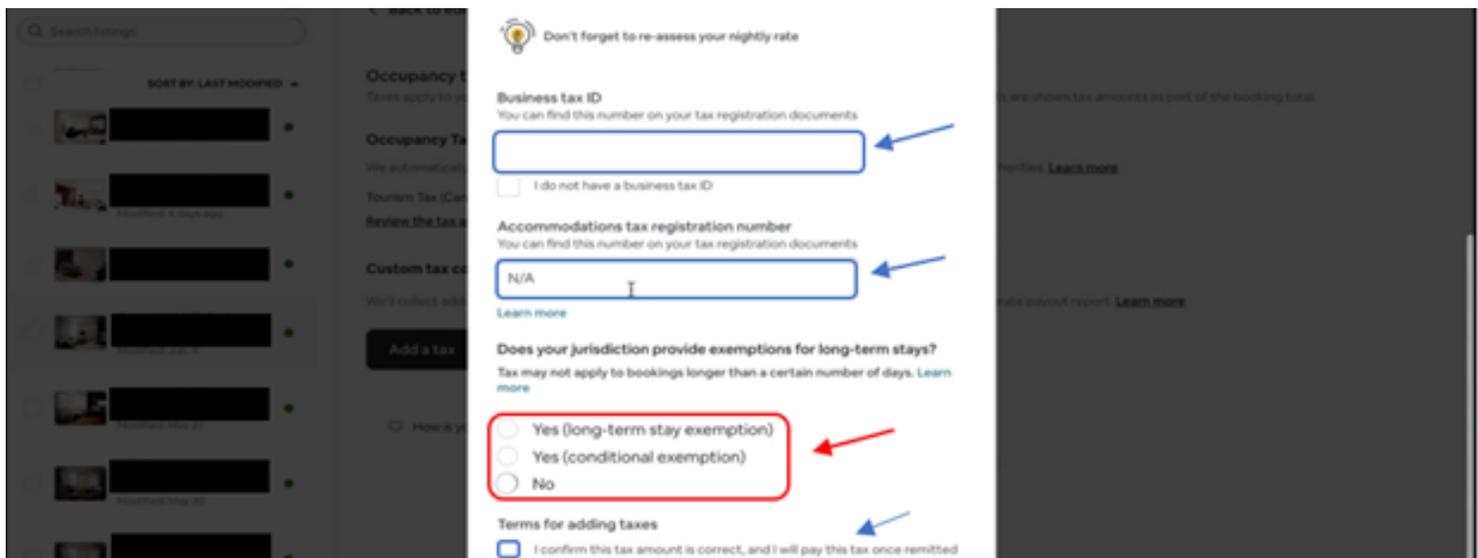
No

**Terms for adding taxes**

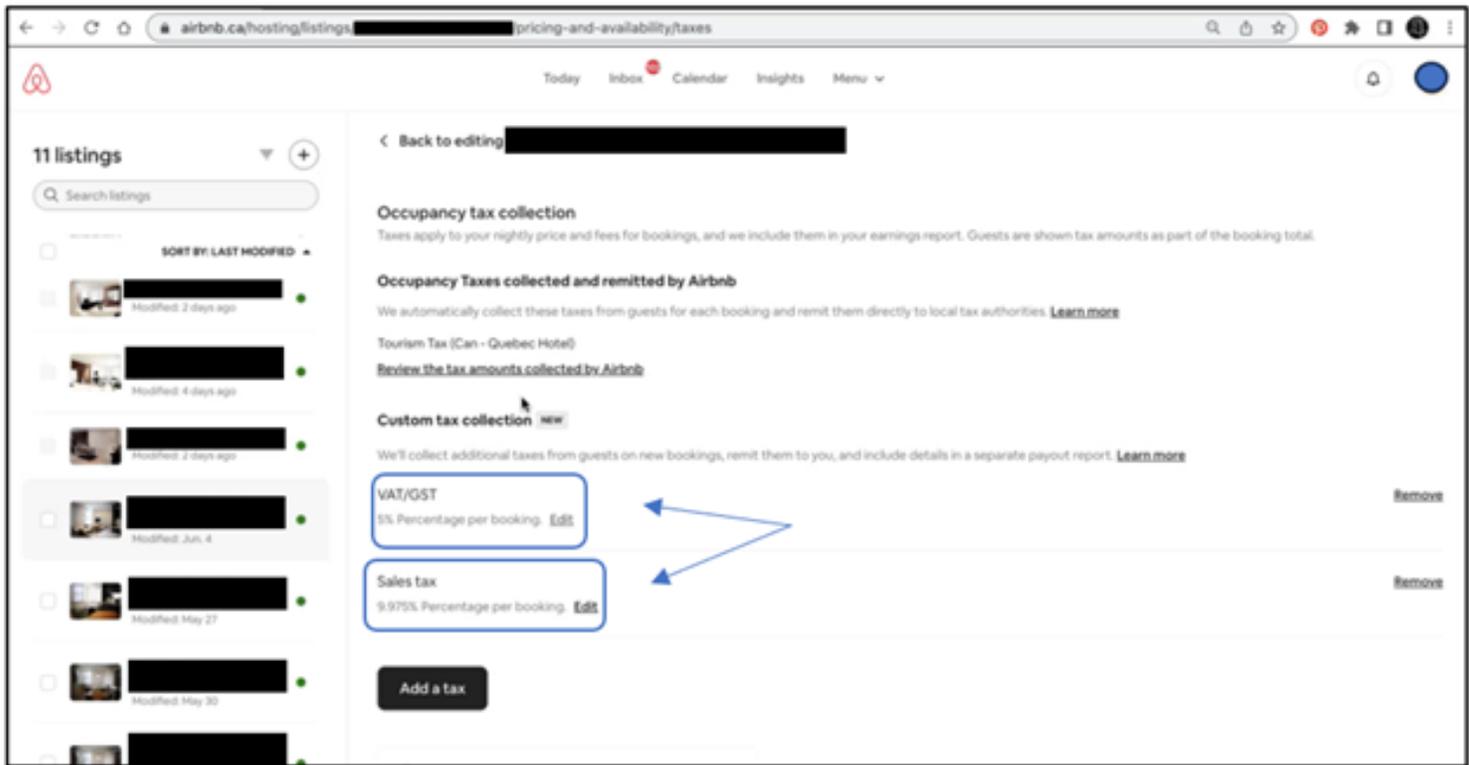
I confirm this tax amount is correct, and I will pay this tax once remitted

## Step 9: For QST:

1. Select Sales tax
2. Tick all the boxes in “Taxable base” whether or not these charges are invoiced
3. Add your QST number in the box “Business tax ID”
4. Add your tax on lodging number in the box “Accommodation tax registration number”. If you do not have this number, please write “N/A”
5. Please consult your tax advisor to determine what to include in the section “Long term stays” outlined in red. Your tax obligations will vary depending on the type of building and rental you provide.



**Step 10:** Once finished, confirm that the items “VAT/GST” and “Sales tax” (outlined in blue) appear on the reservation page of the listing to validate that the previous steps were completed.



**IMPORTANT:**

Please note that you will have to complete all the steps in section 2 for each rental unit that you list on Airbnb.

The information contained in this communication is of a general nature. The rules governing the application of GST/HST/QST to rental properties can be complex. For questions regarding your specific situation, you are advised to consult the relevant articles of law or consult with an indirect tax professional.

