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**THE GOVERNMENT OF SAINT LUCIA ENACTS TOURISM LEVY
FOR TOURISM MARKETING AND DEVELOPMENT**

November 18, 2020 – The Government of Saint Lucia following continued and extensive consultation over the past two years with key stakeholders in the tourism industry, will enact a government tax named the “*Tourism Levy*”. Revenue collected from this tax is earmarked for tourism marketing and development. The implementation of this tax follows the introduction of the Tourism Levy Act and amendments to the Saint Lucia Tourism Authority Act No. 8 of 2017.

Beginning December 1, 2020, guests staying at registered accommodation service providers will be required pay a prescribed nightly levy on their stay. In the two tier system, guests will be charged US\$3.00 or US\$6.00 per person per night, depending on a room rate below or above US\$120.00. A rate of 50% of the Tourism Levy will apply to guests who are 12 to 17 years at the end of their stay. The fee will not apply to children under 12 years. Registered accommodatoin service providers are required apply and collect the levy and remit to the administering authority.

In addition, the Government of Saint Lucia with effect from December 1, 2020 will reduce the Value Added Tax (VAT) from ten percent (10%) to seven percent (7%) for accommodation for tourism accommodation service providers.

The Tourism Levy will strengthen the ability for Saint Lucia as a tourism destination to increase its marketing and to support tourism development in Saint Lucia with a tax that correlates to visitor arrivals. Consequently, revenue raised through this tax will be appropriated to the operations of the Saint Lucia Tourism Authority, Village Tourism Development, and the Tourism Council – agencies mandated to undertake these tasks.

Tourism Minister- Honourable Dominic Fedee said, “*Saint Lucia is well placed to continue along the trajectory of increasing its visitor arrival capacity and although we continue to navigate through this time of crisis, our aim is to ensure that the SLTA is self-sustainable. The former budget allocation of approximately \$35 million shall be directed to other demanding areas within key sectors of education, national security, and health care. We thank the SLHTA and accommodation providers for embracing the way this levy will be implemented and for working with the SLTA towards this realization.*”

Tourism taxes and levies are common practice in many destinations, including those with far greater resources than Saint Lucia, these countries to include Canada, Italy, and the USA. In addition, several Caribbean countries such Antigua and Barbuda, Barbados, Belize, Jamaica, Saint Kitts and Nevis and Saint Vincent and the Grenadines have implemented similar levies on accommodation for visitors. With the implementation of the Tourism Levy and the reduction of VAT, this combination puts taxation on accommodation in Saint Lucia among the lowest in the OECS and CARICOM, and other tourist destinations globally.

Adding her voice, President of the Saint Lucia Hospitality and Tourism Association – Mrs. Karolin Troubetzkoy said: *“Our Saint Lucia hotels appreciate the importance of an appropriately funded Tourism Authority to promote the destination and maintain our competitive edge by further developing our amazing and diverse range of island experiences. This is why we support the introduction of this tourism levy and will do our utmost to facilitate its implementation.”*

As the agency responsible for administration of the Levy, the Saint Lucia Tourism Authority will commence the process of registering the mandated accommodation service providers on island. Once registered, these accommodation providers will contact their industry partners of international tour operators and booking websites for collection of the fee from guests.

Saint Lucia continues to be a destination of top choice globally in niche areas of romance, culinary, adventure, dive, family and health and wellness.

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