

## TOURIST ACCOMODATION & TIMESHARE TAX FAQs

### 1. When is Tourist Accommodation Taxes (TAT) due?

The 28<sup>th</sup> day of each month for the previous month. I.e.- collections for April are not paid until May

### 2. If the 28<sup>th</sup> day falls on a weekend or public holiday, when is Tourist Accommodation Taxes (TAT) due?

It is the Proprietor's responsibility to ensure that submissions are made to the Department of Tourism on days of operation before the deadline.

### 3. Who is subject to pay Tourist Accommodation Taxes?

Taxes are to be paid by "a person not ordinary a Resident in the Islands, visiting the Islands and remaining therein continuously for a period not exceeding six months" (i.e.- tourist)

### 4. What is the conversion rate when paying TAT/ TST?

If report is in CI\$ being paid by US\$ cheque (divide @.82)

If report is in CI\$ being paid by US\$ cash (divide @.80)

If report is in US\$ being paid by CI\$ cheque (multiply @.82)

If report is in US\$ being paid by CI\$ cash (multiply @.80)

### 5. Form of Payments?

KYD & USD Cash

Local KYD & USD Cheques

Local KYD & USD Bank Drafts

US Overseas Cheques (Minimum of US\$100.00)

US Bank Draft & Money Orders (Minimum of US\$100.00)

(NO DEBIT OR CREDIT CARDS OR WIRE TRANSFERS ACCEPTED AT THIS TIME)

### 6. Why is a surcharge applicable when the TAT payment was mailed early?

Unfortunately the Department of Tourism is not responsible for late postal deliveries therefore, it is the property's responsibility to ensure that payments are received by the department on or before the 28<sup>th</sup> day of the month otherwise the surcharge will be applied automatically.

### 7. How are the Tourist Accommodation Taxes calculated?

Taxes should be calculated at 13% on the **gross** room rate. If there are any deductions for cleaning, electricity, maintenance, agents etc., taxes should be calculated before these services and not after).

**N.B- Effective January 1, 2014, the TAT of 13% must be applied to all accommodation bookings.**

### 8. What information is required when submitting taxes?

- Must be a Licensed Property
- A "Tax Form" must be completed by all Properties
- If Property system has a report with the required information, this can be submitted as an attachment to the signed "Tax Form"
- Backups **must be attached** - folios, receipts, confirmations (DISC OR USB)
- Proof of Locals/Residents
  - A Caymanian passport
  - Non-Caymanian Passport (picture page) with permit stamp or status stamp
  - Valid picture I.D. with the permit letter
  - Caymanian Voters registration cards
  - Caymanian birth certificate with valid picture ID

(If proof of Locals/Residents is not attached to the submission, then taxes will be calculated on the accommodated rate as if it were provided to a non-resident)

-Payment

-If no occupants an **NIL** return form **MUST** be completed for each month

**In this regard, please ensure that your next submission is completed on or before the 28<sup>th</sup> day of the month, otherwise it would be deemed late and subject to a 20% surcharge.**

### 9. Are the TAT forms required even if there were no occupants for a particular period?

Yes, TAT forms should still be submitted.

**10. How are surcharges calculated?**

If TAT/ TST are not submitted on or before the 28<sup>th</sup> day of the month, 20% of the tax due is automatically applied to the actual tax payable for the month

**11. Do Caymanians pay taxes?**

Caymanians do not pay taxes if they are staying at a property, however, if they are only paying for a tourist who is staying at the property and not actually staying at the property, taxes apply. This also applies to Caymanians living overseas. Additionally, when taxes are submitted, ensure that proof of Caymanian 'status' be submitted also (see forms of identification in point 12)

**12. What form of I.D. is required for proof of status?**

- A Caymanian passport
- Non-Caymanian Passport (picture page) with permit stamp or status stamp
- Valid picture I.D. with the permit letter
- Caymanian Voters registration cards
- Caymanian birth Certificate with valid picture ID

**13. What is the responsibility of the Department of Tourism with regards to TAT/TST?**

The Department of Tourism only acts as a collection agency of taxes. The department cannot waive surcharges on any request. The law makes no allowance for waiving surcharges.

**14. What happens if a visitor stays in the same accommodation for a period exceeding 28 days?**

If a visitor stays in the same accommodation for a period exceeding 28 days, the tax should be applied upon check-out regardless if the period spans across months.

**15. How and where can taxes be submitted?**

- District Administration Building (Cayman Brac):  
Treasury Department  
PO Box 240, Cayman Brac KY2-2101  
CAYMAN ISLANDS
- Government Administration Building (Grand Cayman) - Dept. of Tourism

By any of the following methods:

- Hand Delivery (Government Administration Building, 133 Elgin Avenue, 3<sup>rd</sup> Floor)
- Courier
- Snail Mail to:  
Cayman Islands Department of Tourism.  
Government Administration Building Box 134  
133 Elgin Avenue  
Grand Cayman KY1-9000  
CAYMAN ISLANDS

**16. Who can submit TST/ TAT?**

The Proprietor (Manager) can submit TST / TAT. Operators and Owners or other persons identified on the Hotel License Form can submit TST / TAT

**17. Who pays Timeshare Taxes (TST)?**

Owner of the Timeshare  
A guest of the Timeshare  
A person who has exchanged his Timeshare

**18. How is the Timeshare Tax calculated?**

US\$10.00 per day or part of a day, in respect of each room that is occupied in a timeshare (EXAMPLE: 3 Rooms X \$10.00 X per day/part of a day, (Saturday 1/2 day to Saturday 1/2 day = 8 days)

**20. Who can be contacted for queries?**

EMAIL: [ar@caymanislands.ky](mailto:ar@caymanislands.ky)  
MOBILE: 345-526-1261  
DIRECT LINES: Michael Gardener 345-244-1286  
Wendy Callander 345-244-1260  
Schelita Corpus 345-244-1261

**In addition - Record keeping for TST/ TAT?**

1. Tax submissions are effective from the date of the License being approved



2. The on Island Operator or Manager must ensure a copy/original of all submissions is kept on Island.
3. Powers of the collector of Taxes (Director and his duly appointed representatives)

Under the: Tourist Accommodation Law (2013) revision

In Section

- 5: 1 states: The collector of Taxes may, at his absolute decision, inspect all records kept under this Law at any time.
- 10:1 states: Whoever knowingly concerned in, or in taking of steps with a view to, the fraudulent evasion of tax by him or any other person, is guilty of an offence and liable on summary conviction to a fine of fifty thousand dollars or of three times the amount of the tax, whichever is the greater, and to imprisonment for two years.