

Development work completed for UK's First 'Tourist tax' Scheme

The work to develop and agree a Transient Visitor Levy (TVL) scheme for Edinburgh has been completed by The City of Edinburgh Council .

The Council will recommend its proposal to Ministers and MSPs for consideration, subject to approval from elected members at a meeting of the Full Council next week (Thursday 7 February).

The Scottish Capital would become the first Local Authority in the UK to introduce such a scheme, if the Council gets the power.

Shaped in response to public feedback, Edinburgh's case for a TVL recommends:

A flat £2 per night room charge

Edinburgh's TVL would be set as a flat rate. This is the most straightforward approach – easier to apply and communicate than a percentage charge – and, importantly, the preference of accommodation providers who will need to administer the charge.

An exemption for campsites

Edinburgh's TVL would apply to all accommodation types within Council boundaries including short term lets but, in response to the consultation feedback, visitors staying in campsites would be exempt.

A cap of seven consecutive nights

Edinburgh's TVL would be designed to protect seasonal and festival workers who stay in Edinburgh for extended periods of time.

Investing an estimated £14.6m every year

It is estimated that £14.6m would be raised annually through the introduction of a TVL and reinvested into providing sustainable investment in supporting and managing the impacts of tourism within the city. Further, detailed consideration on investment options is proposed to take place through a forum of key stakeholders.

Making the case for a TVL in Edinburgh, Council Leader Adam McVey, said: "Having listened carefully to all of the feedback we've received from industry partners and the citizens and businesses of Edinburgh, we've refined our proposals and are in a really strong position to take forward a TVL.

"The Capital's population is increasing rapidly and visitor numbers continue to grow, due to Edinburgh being a fantastic place to live, work, visit and invest. Our economic strength has brought us a great deal of success as a city but the reality is, without an additional income stream, we will struggle to manage and support this success in future.

"Tourism and hospitality are key drivers of our economy and this levy provides us with a way to sustainably support its continued success and reduce impacts on residents all year round".