

Edinburgh first city to impose visitor levy

Edinburgh's tourist trade has been given an extra six months to prepare for the introduction of a tourist tax after it was approved by councillors today.

City of Edinburgh councillors backed the new 5% visitors levy, which will be the first introduced in Scotland, at a meeting this afternoon.

But they also approved a call to extend a transition period for businesses to prepare to introduce the new charges which will now come into effect on bookings made from October 1.

Tenants union Living Rent had called for a higher tax to be introduced and more money raised from it to be invested in affordable housing in the city.

They told the meeting that it was time to reverse a situation in the city where "homeless people live in hotels and homes are used by tourists".

The SNP had argued that raising the tax to 7% could raise up to £1 billion to invest in housing over the next 30 years.

The Greens wanted to go further raising it to 8% but the council's Conservative group called for a lower visitors levy arguing that the addition of VAT had not been taken into account.

Council leader Jane Meagher said the visitors levy had been at

the heart of the Labour group's plans for well over a decade.

She said: "Tourism is at the heart of Edinburgh's success as a city however it inevitably puts strains on resources and if we want to develop the tourism in the city we need the means to sustain it."

The Labour administration motion, approved by council majority, today extended it by six months.

The council's Lib-Dem group leader said his party might not agree with some of the details of the Labour plans for the levy but recognised it was coming describing it as a "momentous day".

SNP councillor Simita Kumar, who brought their motion for a higher levy, accused the administration of a 'dereliction of leadership'.

And fellow SNP councillor Euan Hyslop said the lower levy rate 'lacked ambition'.

He said: "This city is nothing without its workers. It is ironic we are taking part in today's meeting from our homes while people working in the hospitality industry.

By Marie Sharp Local Democracy Reporter