

PST on Lodging

2025

ISSUE:

Lloydminster has always strived to be a seamless city. Whether businesses are located on the Alberta side or Saskatchewan side, businesses should be able to compete on a level playing field. Hotels on the Saskatchewan side of Lloydminster are required to charge and remit PST, where their Alberta counterparts are not required to charge and remit PST. Hotels in Lloydminster Saskatchewan have raised concerns that they are losing a substantial amount of business to Lloydminster Alberta hotels due to this tax disparity.

BACKGROUND:

The City of Lloydminster straddles the border of Alberta and Saskatchewan with a population of 31,582, where 37% (11, 843) lives in Saskatchewan and 63% (19,739) lives in Alberta.¹ As a bi-provincial city, Lloydminster businesses need to compete within their industry with businesses who face a different set of laws, regulations and taxation. Lloydminster strives to be one seamless city so that whether your business is located on the Alberta side or Saskatchewan side, businesses can compete on a level playing field. PST has always been one of those issues for Lloydminster which has the potential to create an unlevel playing field for Saskatchewan businesses. Thankfully, the Government of Saskatchewan has recognized this and has provided Lloydminster with a PST exemption, “with the exception of vehicles, lodging, telecommunication services, electricity for commercial users, and insurance contracts, businesses are not required to collect PST on sales to individuals or businesses when the goods are shipped to or picked up in Lloydminster, Saskatchewan and are intended for use or consumption within the city limits”².

We have heard concerns from hotels on the Saskatchewan side of Lloydminster that they are required to charge and remit PST and are losing business to Lloydminster Alberta hotels who do not have to charge PST. This loss of clients is especially noticeable in terms of commercial clients who book a large volume of hotel rooms for staff and contract workers. Similarly, recreational clients for sports groups booking large blocks of rooms have concerns of the additional PST that they would not need to pay on the Alberta side of Lloydminster. Individuals who book multiple nights have also raised the concern. This tax discrepancy in Lloydminster is creating an unlevel playing field for the Lloydminster Saskatchewan hotels.

RECOMENDATION:

The Lloydminster Chamber of Commerce recommends that the Government of Saskatchewan includes lodging as being exempt of PST in the City of Lloydminster.

¹ Retrieved February 5, 2025 from <https://www12.statcan.gc.ca/census-recensement/2021/dp-pd/prof/search-recherche/results-resultats.cfm?Lang=E&SearchText=lloydminster>

² Retrieved February 5, 202 from <https://sets.saskatchewan.ca/rptp/wcm/connect/58bd9ede-ebc5-4adc-8a86-68e188c34b77/IN+2018-02+Lloydminster+Businesses+%28Updated+June+2021%29.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE-58bd9ede-ebc5-4adc-8a86-68e188c34b77-o2m6Q-5>