

Visitor Levy FAQs for Accommodation Providers

Version 1, September 2025

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Introductory Note

This is Version 1 of the FAQs (September 2025). They will be updated periodically as more guidance becomes available from the Scottish Government and local authorities.

The [Visitor Levy \(Scotland\) Act 2024](#) gives local authorities the power to design and implement their own visitor levy schemes. This means that while the FAQs below provide a national overview, the exact rules and processes may vary between local authority areas. This should be read in conjunction with your local authority guidance.

For further information and links to each local authority, visit: [VisitScotland – Visitor Levy](#).

1 | General Overview (Visitor Levy Purpose and Scope)

1.1 What is the Visitor Levy?

The [Visitor Levy \(Scotland\) Act 2024](#) gives Scottish local authorities the power to introduce a charge on the purchase of overnight accommodation, calculated as a percentage of the accommodation cost.

Each local authority will decide, following consultation, whether to introduce a visitor levy scheme in its area.

The levy is be collected from visitors, and the net proceeds must be used to develop, support, or sustain facilities and services that are substantially for, or used by, visitors. Accommodation providers are liable for collecting and paying the levy to local authorities.

1.2 Who counts as a 'visitor'?

A 'visitor' is defined in the legislation as **anyone staying overnight in paid accommodation who is not living there as their usual place of residence**. You might refer to them as a customer or a guest.

1.3 Is the visitor levy a national scheme?

No. The [Visitor Levy \(Scotland\) Act 2024](#) gives Scottish local authorities the **discretionary power** to decide whether to introduce a levy in their area.

Each local authority may design its scheme to reflect local priorities, but must do so following consultation.

1.4 What if I have properties in multiple local authorities?

If you operate in more than one local authority area, you must engage with each local authority separately to understand the details of their visitor levy scheme. Schemes may differ depending on local priorities and the flexibilities available to each authority.

For further information from relevant local authorities, visit: [VisitScotland – Visitor Levy](#).

1.5 When will the visitor levy come into effect and do I need to apply the visitor levy for advanced bookings?

The visitor levy should not be applied to accommodation booked before a local authority has formally announced its intention to introduce a scheme.

Under the legislation, if a booking is made after the announcement and the stay takes place after the levy comes into effect, the visitor levy may apply, unless the local authority sets out a specific transition period.

Local authorities will need to provide accommodation providers and third parties with clear information as soon as possible following their visitor levy scheme being formally announced. This must include when liability for forward bookings are made before the implementation date will commence, and any specific arrangements for liability relating to deposits paid before the implementation date.

For example, in Edinburgh the levy must be displayed from 1 October 2025 for all stays taking place on or after 24 July 2026.

You should check the exact dates with your local authority and ensure visitors are informed about the levy at the point of booking.

For further information from your local authority, visit: [VisitScotland – Visitor Levy](#).

1.6 Is the same rate applied across the whole local authority area?

A local authority may choose to apply different percentage rates in different parts of its area, depending on local priorities. However, it cannot set different rates for different types of accommodation.

For example, a local authority could decide to introduce a visitor levy only in a specific area within its boundary, but if it does so, all accommodation types in that area (such as B&Bs, hotels, and self-catering properties) must be charged at the same percentage rate.

For further information from your local authority, visit: [VisitScotland – Visitor Levy](#).

1.7 Will the visitor levy apply all year round?

This will depend on the approach taken by each local authority. Some, such as Edinburgh, Glasgow and Aberdeen, have chosen to apply the visitor levy year-round. Others may decide on a seasonal approach, for example applying the levy only during the summer months.

For further information, visit: [VisitScotland – Visitor Levy](#).

1.8 How should the visitor levy revenue be spent by the local authority?

Revenue raised through the visitor levy must be used to support facilities and services that are primarily used by visitors, and spending should be aligned with local, regional, and national tourism strategies.

Local authorities are required to:

- Produce annual reports detailing how the funds have been used
- Establish a Visitor Levy Forum with balanced representation from communities, tourism businesses, and relevant organisations

The consultation held before introducing a levy, along with the ongoing work of the Visitor Levy Forum, is expected to help shape and advise how funds are allocated.

2 | Rates, Structure, and Calculation

The visitor levy is calculated as a percentage of the **accommodation portion** of a chargeable transaction. The percentage rate is set by each local authority, which may also introduce a cap on the maximum number of nights the levy applies. The levy is charged per night, not per person.

2.1 What counts as the "Accommodation Portion"?

The visitor levy only applies to the part of the charge that covers the cost of overnight accommodation. This is called the accommodation portion.

It does not apply to any extra charges that are separate from, or added on top of, the cost of the stay.

2.1.1 What counts as reasonable accommodation costs?

Only costs that relate directly to providing the overnight stay should be included in the accommodation portion. Other parts of a visitor's bill, such as meals, entertainment, transport, or optional extras, are outside the scope of the levy.

Costs that should stay in the accommodation charge

Even though these are not defined in the Act, it is expected that services routinely included in the room or unit price should be counted as part of the accommodation cost. This means that any services which are not optional should count as part of the accommodation cost.

Examples include:

- Standard cleaning between visitors
- Utilities e.g. electricity, water, heating, and complimentary WiFi
- Basic amenities e.g. soap or toilet paper
- Complimentary refreshments given to all visitors on arrival e.g. tea, coffee, or biscuits in a welcome pack
- Agency fees to deliver standard services required to deliver the stay such as granting access to the accommodation and standard cleaning and laundry services between visitors.

2.1.2 What costs are excluded by law?

The following items must never be included when working out the accommodation portion for the levy:

- Meals or drinks (for example, breakfast if itemised or reasonably attributed, or a bar tab paid on check-out)
- Parking (where charged separately, such as an external car park)
- Laundry services or facilities (if charged separately)

- Entertainment (for example, ticketed events or in-room media packages)
- Transport to or from the accommodation
- Optional extras (such as towel hire, early check-in, or anything a visitor chooses to add on)

These exclusions apply whether or not they are itemised on the bill. It is your responsibility to make sure they are not included in the levy calculation.

Example:

- Cottage weekly rental = £800*.
- Optional hot tub hire = £100.

Total paid = £900.

Hot tub hire is an optional extra, so levy applies to £800 only.

**excluding VAT*

2.1.3 Provider Discretion Within Legal Limits

As the accommodation provider, you are best placed to decide what part of a charge reasonably counts as the cost of accommodation. However, you must make these decisions in line with the [Visitor Levy \(Scotland\) Act 2024](#).

You should be able to explain and justify your approach, particularly where you exclude certain items listed in the legislation. Any attribution you make should be fair and proportionate, and you should keep a clear record of your reasoning in case it is checked during an audit.

2.2 What records do I need to keep on how I've calculated the levy?

All providers must be able to show clearly how the visitor levy has been calculated. **The law requires you to keep all necessary records for at least five years** (or longer if your local authority asks).

You should be able to evidence:

How you worked out the accommodation portion (for example, room-only rate, deductions for meals, or how you split bundled pricing).

How you identified and excluded non-accommodation items such as meals, drinks, parking, transport, or entertainment.

How you attributed costs where packages include extras.

That VAT was correctly excluded before applying the levy.

Records you may need to keep include:

- Invoices or booking confirmations showing the breakdown of charges, and when the booking was made.
- Internal notes explaining how you set standard values (such as a breakfast deduction).
- Copies of your terms and conditions where relevant (for example, when meals are complimentary).

Retention

- Keep all records for at least five years from the date of the return, or longer if required by your local authority.
- Records must be available for inspection by the local authority if requested.

Best practice tip

Keep your levy records in line with your VAT and accounting systems. This consistency will make your reporting easier and reduce the risk of problems if audited.

2.3 How do I calculate the levy when I don't separate out the cost of breakfast?

If your price includes breakfast, you should exclude the **retail value** of the breakfast (that is, the price you would normally charge if breakfast were sold separately) when working out the accommodation portion.

If you normally charge for breakfast separately: Deduct your breakfast price before applying the levy.

If breakfast is complimentary (for example, as part of a loyalty scheme): You may calculate the levy on the full price without making a deduction.

If breakfast is normally included in your rate and not itemised: You must assign a reasonable retail value to the breakfast (based on your own pricing or the market rate for an equivalent breakfast) and deduct this amount before applying the levy.

Whichever approach you take, it must be:

- Applied consistently,
- Recorded accurately, and
- Capable of being explained to your local authority if requested.

Example 1 - Single visitor

A visitor pays **£120*** for one night in a B&B, including breakfast. The provider normally charges **£10** for breakfast.

Accommodation portion = £120* – £10 = **£110**

If the levy is set at 5%, the charge is £110 × 5% = **£5.50***

Example 2 – Two visitors in the same room

Two visitors pay **£150*** for one night in a double room, including breakfast. The provider normally charges £10 per person for breakfast.

- Accommodation portion = $£150^* - (£10 \times 2) = £150 - £20 = £130$
- If the levy is set at 5%, the charge is $£130 \times 5\% = £6.50^*$

** excluding VAT*

2.4 Is Online Travel Agent (OTA) commission included?

The visitor levy is calculated on the **total accommodation charge inclusive of OTA commission**. In other words, the levy is payable on the full price the visitor pays for accommodation, not the net amount you receive* after commission.

Example:

- A visitor books through an online platform at £200* for one night. The OTA takes £40 commission and passes £160 to the provider.
- The levy is calculated on the full £200* paid by the visitor, not the £160 received.

** excluding VAT*

2.5 Are agency fees included when calculating the visitor levy?

Yes – but only if the agency fees are directly related to providing the accommodation. The key distinction is whether the visitor pays a separate charge for these services.

Included:

Agency services that are necessary to deliver the accommodation, such as:

- Cleaning and laundry between visitors
- Meeting visitors and giving them access to the property

Not included:

Services that go beyond basic accommodation – such as:

- Providing meals or groceries

- Organising tours or activities
- Additional cleaning and laundry provided during the stay at the request of the visitor

These extra services are excluded from the levy calculation.

Example:

A visitor books two nights at a self catering apartment for **£500*** (total price paid).

An agency charges £250 to deliver services for that stay.

Included services provided by the agency (changeover cleaning, laundry, meet & greet): £200

Optional services provided by the agency (pre-made meals): £50

Levy Calculation:

- Start with the total paid: £500*
- Subtract the optional services (meals): £500 – £50 = £450
- Apply the 5% visitor levy to £450*:
 $£450 \times 5\% = £22.50^*$

**excluding VAT*

The levy is based on the amount that covers the accommodation and essential services only that are necessary to deliver the stay. Please keep records to demonstrate how you calculate the levy as outlined in Question 2.2.

2.6 How does the visitor levy apply to larger self-catering accommodation (e.g. sleeping 10 people)?

The visitor levy applies to the total accommodation charge for the unit, not per person or per room.

Example:

- A self-catering property that sleeps 10 is booked for £3,000* for 5 nights
- The local authority has set the visitor levy at 5%
- Total levy due = £3,000 × 5% = £150

The calculation is always based on the overall amount paid for the overnight accommodation.

**excluding VAT*

2.7 Can the visitor levy be capped by value or number of nights?

Local authorities may choose to introduce caps – for example on the number of nights for which the levy is charged. This cap is designed to help maintain affordability, particularly for longer stays or larger groups.

For further information, visit: [VisitScotland – Visitor Levy](#).

2.8 If a regular visitor stays Monday to Thursday each week and checks out every Friday, does the chargeable stay reset if there is a cap on the number of nights charged?

If a local authority sets a maximum number of nights for which the levy can be charged, they can decide whether or not it applies to consecutive or non-consecutive nights within a period.

Edinburgh's scheme has a 5-night cap which applies to each **separate stay**. Once a visitor checks out, the stay is treated as complete.

If the same visitor returns the following week, the levy calculation starts again from the first night, regardless of how many times they have stayed before. Only consecutive nights within a single stay count towards the cap. City of Edinburgh Council have published [information for businesses](#) which outlines the specifics of their 5-night cap.

2.9 How are third-party bookings calculated (e.g. with a tour operator)?

Where bookings involve a third party (such as a tour operator), the levy must always be based on the **total accommodation charge paid by the visitor**, regardless of how many parties are involved in the transaction.

Key responsibilities

- The accommodation provider always remains legally responsible for ensuring the levy is calculated, collected, and paid to the local authority
- If the third party does not collect the levy, the provider should collect it directly (for example, at check-in or through an invoice).
- The total price shown to the visitor at the time of booking must always include the levy.
- In some cases, a third party may agree with a local authority to remit the levy directly to the local authority. Unless such an agreement is in place, the accommodation provider must remit the levy to the local authority.

Where the accommodation provider does not know the final retail price

In some cases, such as where a tour operator bundles accommodation into a wider package, the accommodation provider may not know the full amount paid by the visitor. In these situations:

- The legal requirement is for the levy to be based on the visitor’s retail price.
- If the gross retail price is not disclosed, providers should apply the levy in a **reasonable and consistent way** using the information available.
- Accommodation providers must keep clear records of their chosen method, showing why it was the most reasonable approach in the circumstances.
- Accommodation providers are encouraged to seek arrangements with third parties to ensure gross prices are disclosed to support compliance with the legislation.

2.10 How are exemptions managed with third party bookings?

The way exemptions are managed will be decided by each local authority. It will be for the local authority to determine if the levy will be ‘not payable’, or reimbursed. Local authorities will likely choose to administer exemptions through a reimbursement process.

Visitors who qualify for an exemption under the Act (for example, those receiving certain UK disability benefits) would therefore still pay the levy at the time of booking or stay. They can then apply to the local authority for a refund.

If local authorities confirm a reimbursement process, refunds for exempted parties would be dealt with by the local authority, not by accommodation providers or third parties. [Further details can be found in Section 6 of these FAQs.](#)

2.11 Will I pay VAT on the visitor levy?

How VAT applies to the visitor levy depends on your VAT status and the rules set by your local authority. Local authorities must specify whether accommodation providers below the VAT threshold will be included or exempt from the visitor levy - this will be set out in their scheme.

- **If you are VAT-registered:** The visitor levy is treated as part of your taxable turnover and VAT must be applied at your standard rate. This means the levy itself is subject to VAT, and the VAT element must be shown clearly on invoices and receipts.
- **If you are not VAT-registered:** Check your local authority’s scheme to see whether you are included or exempt from collecting the visitor levy. You do not charge VAT on the visitor levy if you are not VAT-registered. However, the levy still counts towards your taxable turnover. If the combined total of your accommodation charges and levy collections takes you over the VAT registration threshold (currently £90,000), you may be required to register for VAT.

Important: You should monitor your turnover carefully and seek advice from HMRC or your accountant to ensure compliance. Further guidance from HMRC will be provided in due course.

2.12 For VAT and accounting purposes, should the visitor levy be reported based on the dates of the stay or the booking/invoice dates?

Because the levy is only chargeable when the visitor takes entry into the accommodation, the visitor levy must be reported based on the actual dates of stay, not the booking or invoice dates.

If a booking is cancelled and the visitor does not stay, any pre-paid visitor levy must be refunded to the visitor and should not be remitted to the local authority.

Local authorities will set out the deadlines for remittance, which are expected to be on a quarterly basis in arrears.

2.13 How is the visitor levy rounded and calculated where decimals arise?

The visitor levy is applied to the accommodation portion of the total cost. Where the calculation produces decimals, you should follow standard accounting and rounding practices that you already use in your business.

3 | Booking and Payment Journey

The Act allows flexibility in when the visitor levy is collected. The key requirement is that the total price, inclusive of the levy, is communicated clearly to the visitor at the point of booking.

Possible collection options

- **At the point of booking** – e.g. online booking platforms or full payment taken upfront.
- **When the balance is paid** – common in self-catering and serviced apartments.
- **On arrival or at check-out** – typical for B&Bs or hotels where payment is taken in person.

Examples

- **Self-catering property:** A deposit of 25% is taken at booking and the balance is due 30 days before arrival. The balance may be collected inclusive of the levy or shown as a separate line on the balance invoice.
- **Online booking via Online Travel Agency (OTA):** If the platform does not calculate the levy automatically, you must include it in the listed price and arrange to collect it separately (e.g. at check-in/out or via pre-arrival communication).
- **Hotel/hostel with walk-in visitors:** The levy can be added to the bill and collected at check-in or check-out, as long as it is explained to the visitor when the accommodation is purchased.

Key points

- The levy must always be included in the total price presented to the visitor.

- Terms and conditions, invoices, and receipts should reflect the inclusion of the levy.
- For no-shows and cancellations, the visitor is entitled to a refund of the levy amount.

3.1 How should the visitor levy be displayed to visitors?

The legislation does not prescribe a specific format for displaying the visitor levy. Existing pricing regulations therefore continue to apply.

Key requirements

- The total price, inclusive of the levy, must always be shown at the point of booking.
- Your terms and conditions, invoices, and receipts should make clear that the levy is included in the total price.
- This applies equally to advance bookings and to walk-in visitors.

Good practice

For transparency and consistency, you may wish to:

- Update your website, advertising, and promotional materials to indicate that the levy applies.
- Clearly explain to visitors that the levy is part of the total cost, even if it is not itemised separately.

All displayed prices must comply with pricing regulations and ensure visitors are fully informed.

3.2 Should I show the visitor levy as included in the total price?

Legally, the total price shown to visitors at the time of booking must always include the visitor levy.

You are not required to display the levy as a separate item, but you may choose to do so. Itemising the levy can be good practice as it helps visitors understand what the charge relates to, but this is a business decision rather than a legal requirement.

3.3 If I accept a booking before a visitor levy is introduced, but the stay takes place after the levy comes into effect, do I need to charge the levy on that stay?

The visitor levy should not be applied to accommodation booked before a local authority officially announces its intention to introduce a scheme. Based on the legislation, if a booking is made after the announcement, and the stay occurs after the levy comes into effect, the visitor levy may apply, unless a local authority has established a transition period.

It will be for the local authority and businesses to consider arrangements for collecting a levy from bookings made after the visitor levy scheme comes into effect but before accommodation providers have put a system in place.

For example, in Edinburgh, businesses must display the levy from 1 October 2025 for stays on or after 24 July 2026. City of Edinburgh Council have published [information for businesses](#) which outlines the specifics of contracting/bookings made both before and after 1 October 2025.

Check with your local authority for exact dates and ensure visitors know about the levy when booking.

For further information, visit: [VisitScotland – Visitor Levy](#).

3.4 What if a visitor cancels the booking?

The legislation only requires that the visitor levy is charged if a person actually stays at your accommodation business. You should only remit the levy charged to the local authority after a stay is complete.

If the visitor does not stay in your accommodation and no levy payment has been received, you do not need to take any action.

If the visitor already pre-paid the levy but did not stay in the accommodation, it is your responsibility to refund them the levy in full, regardless of whether the rest of the stay is refundable.

3.5 How is the visitor levy applied to bookings that span the implementation date?

The visitor levy cannot be applied to any nights that take place before the commencement date of the scheme. It only becomes chargeable from the first night that falls on or after that date.

Case Study (Edinburgh):

For bookings starting before or on 24 July 2026 and continuing afterwards, the levy is only payable from the night of 24 July 2026 onwards.

Where the price is not charged per night, you should calculate the **average nightly accommodation rate** for the portion of the stay that falls within the liable period and apply the visitor levy to that amount.

Example:

- A visitor books a 4 night stay from 22 to 26 July 2026 in Edinburgh
- Accommodation = £400* (£100* per night)
- Levy applies from 24 July = 2 nights = £200* @ 5% = £10
- Final price, excluding VAT, would be £400 (accommodation price) + £10 (two nights' levy) = £410*

**excluding VAT*

3.6 What happens if a stay is paid for with a gift voucher or by a third party (e.g. an employer or charity)?

Complimentary stays

- If the stay is fully complimentary (for example, for staff or a familiarisation trip), no levy is due.
- If accommodation is given as a prize and no one has paid for it, no levy applies.
- If the competition organiser pays for the accommodation in advance, the levy is due at the point of purchase and paid by the organiser.

Gift vouchers

- A value voucher (e.g. £50) used towards a £100 stay counts as a cash payment. The levy is based on the full accommodation cost (£100).
- The levy must be shown at the point of booking the stay, not when the voucher is purchased. However, it is good practice to flag this when selling vouchers.
- If the voucher covers a fully paid stay, the levy should be included when the accommodation is purchased, meaning no extra charge for the visitor at check-in.

Deals and discount companies (e.g. Groupon, Itison)

- The provider remains responsible for the levy, even if the stay is sold through a deal site.
- Listings should clearly state whether the levy is included in the advertised price or if it will be collected separately (at booking or on arrival).

4 | Accommodation Types and Visitor Definitions

4.1 What types of accommodation are in scope?

The visitor levy applies to a wide range of accommodation types, including (but not limited to):

- Self-catering properties
- Hotels
- Bed and Breakfasts (B&Bs)
- Guesthouses
- Hostels

- Caravan parks
- Camping sites
- Vessels or vehicles used for commercial overnight stays that are permanently or predominantly situated in one place

Local authorities have the power to create exemptions and may choose to remove certain accommodation types from scope within their local schemes.

4.2 Are charitable or non-profit accommodation providers exempt from applying the visitor levy?

Charitable and non-profit accommodation providers are not automatically exempt from applying the visitor levy. However, local authorities have the discretion to introduce exemptions as part of their Visitor Levy scheme.

4.3 Are motorhomes or cruise passengers included in the visitor levy?

- **Motorhomes:** Included if they are staying in formal accommodation, such as a paid pitch within a caravan park or campsite. Motorhomes staying outside formal sites are not covered by the legislation.
- **Cruise passengers:** Not included in the scope of the visitor levy.

4.4 Are business visitors or NHS patients included?

Business visitors and NHS patients are within scope of the visitor levy. However, local authorities may introduce local exemptions if they consider it appropriate, and must publish guidance where such exemptions apply.

Check with your local authority guidance for details: [VisitScotland – Visitor Levy](#).

4.5 Are barter stays, house-sitting, or unpaid work exchanges subject to the visitor levy?

Where no financial transaction takes place, the visitor levy does not apply.

5 | Legal Responsibilities and Compliance

5.1 Who is legally responsible for collecting and remitting the visitor levy?

Under the Act, the accommodation provider is always the **liable person** for the visitor levy, even if a third-party platform collects it from the visitor

In some cases, a third party may remit the levy directly to the local authority, but this is only possible where a formal agreement has been put in place with that authority. Without such an agreement, the provider remains responsible for remitting the levy.

5.2 What if a third-party platform (e.g. OTA) takes the payment?

The accommodation provider always remains the liable person for the visitor levy, even when a third-party platform (such as Airbnb, Booking.com, or Vrbo) is involved.

There are a few ways in which this can work:

Most Likely:

- 1. You collect and pay** – You collect the levy directly from the visitor (either included in the booking price or separately on arrival/departure) and remit it to the local authority.
- 2. A third party collects and you pay** – An OTA collects the levy from the visitor and passes it to you. You remain responsible for paying the levy to the local authority.

In some circumstances:

- 3. A third party collects and pays** – If a formal agreement is established between the relevant local authority and a specific OTA, there might be the possibility of having them remit the levy on an accommodation provider's behalf. These agreements are not automatic and must be formally established.

In all cases, visitors must be clearly informed at the point of booking that the total price includes the visitor levy. If you collect it separately, the accommodation provider should make this transparent as a local charge.

Please refer to information from your local authority and communication from any OTA you choose to advertise with.

5.3 How will refunds be managed in the case of cancellation or no-show (particularly when payment is made via a virtual card via an OTA)?

The visitor levy only applies when a visitor actually stays overnight in the accommodation.

5.3.1 Cancellations and No-Shows

- If the visitor does not stay, the levy is not payable and does not need to be sent to the local authority.
- If you have already collected the levy in advance, you should refund it in full to the visitor, regardless of whether the rest of their stay is refundable.
- If the levy has not yet been collected, no further action is needed.

5.3.2 Virtual cards and OTA payments

If payment is made through a virtual card (via an OTA):

- You, as the accommodation provider, are still legally responsible for the levy, even if the OTA processes the payment.
- If the visitor does not stay, you must make sure the levy is refunded in full.
- If the OTA does not refund it automatically, you must refund the visitor directly.
- Keep clear records showing the original charge, the cancellation or no-show, and the refund.

5.3.3 VAT implications

If you refund the levy to the visitor in full because of a cancellation or no-show, you do not need to pay VAT to HMRC on the refunded amount.

5.3.4 Levy Returns for No-Shows and Cancellations

If the levy is refunded in full, or not collected because of a cancellation or no-show, you do not need to include it in your levy return.

5.4 What if an operator/liable person refuses to collect the visitor levy?

An accommodation provider may choose not to pass on the cost of the visitor levy to the visitor and instead absorb the cost by paying it themselves.

However, if a provider refuses pay the levy, the local authority has the right to take enforcement action.

For details of the enforcement measures available, see guidance provided by your local authority.

For further information, visit: [VisitScotland – Visitor Levy](#).

5.5 What happens if a visitor refuses to pay the visitor levy?

If a visitor refuses to pay the visitor levy when booking or on arrival, the accommodation provider remains the liable person under the Act.

In this situation, the provider has two options:

- **Cancel the booking** if the visitor will not agree to pay, or
- **Absorb the cost** themselves and still remit the levy to the local authority.

The levy must always be paid to the local authority, regardless of the visitor's refusal. To minimise the risk of disputes, providers should ensure the levy is clearly communicated to visitors at the time of booking.

5.6 How should responsibility for collecting and remitting the visitor levy be managed in cases where privately owned holiday homes on parks are sublet by individual

owners, particularly when the park operator is not directly involved in the transaction?

In these cases, the **caravan or holiday home owner** is the accommodation provider and therefore the liable person under the legislation. It is their responsibility to collect the visitor levy from visitors and remit it to the local authority.

The local authority is responsible for monitoring compliance and taking enforcement action where necessary, in the same way as for other local taxes and charges.

5.7 What records must I keep?

Accommodation providers are responsible for keeping accurate records of all visitor levy transactions and ensuring that required returns are submitted on time.

Your local authority will confirm exactly what information must be recorded and reported, including how often returns are due. Where your local authority participates, you will be able to use the visitor levy online collection platform being developed by the Improvement Service to manage submissions.

Local authorities will also set out record-keeping requirements, including how long records must be retained. In most cases, this will be **five years from the date on which a submission is made**, unless specified otherwise.

5.8 What is the visitor levy forum?

Each local authority must establish a **Visitor Levy Forum** within six months of introducing a levy and maintain it for the lifetime of the scheme.

Membership

The Forum must include balanced representation from:

- Local communities
- Tourism businesses
- Tourism organisations

Purpose

The Forum provides advice to the local authority on matters relating to the operation of the visitor levy scheme. It must be involved in any statutory consultations, for example when:

- Proposals are made to modify the scheme, or
- The planned use of levy funds is to be changed.

Ongoing role

The local authority must also share with the Forum:

- Each annual report on levy income and spending
- The statutory review of the levy scheme, carried out every three years.

5.9 Will there be an appeals process for levy disputes?

Accommodation providers will be able to challenge decisions relating to visitor levy liability.

Appeals process

- **Internal review** – You may first request that your local authority reviews any decision, including an information notice or a penalty.
- **Appeal to Tribunal** – If you remain dissatisfied after the internal review, you may appeal to the **First-tier Tribunal**.

The Scottish Government is required to set out detailed regulations on reviews and appeals, which will be published in due course. Providers should check their local authority's guidance for instructions on how to submit a request and must follow all deadlines.

Recommended actions for accommodation providers

- Keep copies of all notices, correspondence, and supporting evidence
- Record statutory time limits immediately on receipt of a notice and set reminders
- Use clear, factual representations with documents to support your case
- Confirm the correct contact point at the local authority before submitting any request
- Seek professional advice if required

6 | Reimbursement and Exemptions

6.1 Who is exempt from the visitor levy?

The Act provides for both **statutory exemptions** (which apply everywhere) and **local exemptions** (which may vary by authority).

6.1.1 Statutory exemptions

The following groups are exempt from the visitor levy in all local authority areas:

- People in receipt of qualifying disability benefits, including:
 - Disability Living Allowance
 - Disability Assistance
 - Attendance Allowance
 - Pension Age Disability Benefit
 - Personal Independence Payment (PIP)

6.1.2 Local exemptions

Local authorities have the power to introduce **local exemptions** alongside the statutory exemptions set out in the Act.

Where a local authority chooses to do so, it must:

- Specify the cases or circumstances where the visitor levy is not payable, or where it may be reimbursed
- Outline the process for how these exemptions or reimbursements will be administered

This information must be clearly explained in the local authority's guidance.

For further information, visit: [VisitScotland – Visitor Levy](#).

6.2 What do exemptions mean for accommodation providers?

If a local authority decides to administer exemptions through a reimbursement system, you must still collect the visitor levy from all visitors at the point of booking or stay.

In this scenario, the responsibility lies with the local authority, which should ensure a clear and accessible reimbursement process and communicate this effectively to both accommodation providers and third-party platforms. Accommodation providers are not responsible for verifying or processing exemption claims.

Visitors who believe they qualify for an exemption should be directed to the local authority, where they can apply for reimbursement and provide any evidence required.

6.3 Does the levy apply to long-stay visitors at caravan parks or campsites?

Visitors booking on a standard nightly or weekly basis remain liable for the visitor levy, even for extended stays, unless the local authority has introduced a cap on the maximum number of nights charged.

Seasonal touring pitches, however, are not in scope. These are designated pitches rented for an extended period (typically a season), allowing caravan or motorhome owners to leave their vehicle in place without occupying it continuously.

Example:

- A visitor books a touring pitch for a continuous four-week stay, without holding a seasonal contract and without leaving the van on-site between bookings.
- This is not classed as a seasonal tourer, so the stay would be subject to the visitor levy.

6.4 How does a visitor apply for a refund from an accommodation provider?

The visitor levy is only payable when a visitor actually stays in your accommodation. You should therefore remit the levy to the local authority only after the stay has been completed.

- **If the visitor does not stay and has not paid the levy:** No action is required.
- **If the visitor has pre-paid the levy but does not stay:** You must refund the levy in full to the visitor.
- **If the visitor is exempt from the levy but completes their stay:** If the local authority has confirmed that they will administer exemptions, the visitor will pay the levy as normal and apply for a reimbursement via the local authority. In this circumstance, exemption reimbursements are not the responsibility of the accommodation provider.

6.5 How is VAT handled if a visitor is entitled to a levy refund from the local authority due to an exemption?

Details will be provided on this question in future versions of this document.

7 | Systems, Remittance, and Digital Support

7.1 What assistance is available to businesses and can I get relief for business costs incurred?

Accommodation providers, [as the liable person](#), are required to pay the full visitor levy to the local authority and cannot deduct their own costs unless the local authority has put specific arrangements in place.

Local authorities may choose to enable accommodation providers to retain a small percentage of the visitor levy they collect to help cover administrative costs. This is not mandatory under the legislation, but some local authorities have opted to include it as a supportive measure. For example:

- City of Edinburgh Council will allow accommodation providers to retain 2% of the levy they collect

Glasgow City Council will allow accommodation providers to retain 1.5% Where offered, this cost retention will be administered through the new national platform being developed by the Improvement Service, provided your local authority participates in that system.

For further information, visit: [VisitScotland – Visitor Levy](#).

7.2 Is there a national system to help with visitor levy returns?

A new visitor levy online collection platform, [visitorlevy.scot](#), is being developed by the Improvement Service to support the introduction of visitor levy schemes across Scotland.

- The platform will go live in **April 2026**, ahead of the launch of Edinburgh’s levy in July 2026, giving providers time to register and prepare.
- It has been co-designed with four early adopter local authorities (Edinburgh, Argyll & Bute, Highland, and Glasgow) and with direct input from accommodation providers through workshops and meetings.
- The system is designed to be user-friendly and will support both providers and local authorities in managing levy returns.

You will be able to use the platform if your local authority decides to participate.

Important: The platform is for accommodation providers only, not for visitors. Any visitor queries, including exemption requests or refund claims, must be directed to the relevant local authority.

7.3 What functionality will the digital platform offer?

The [visitorlevy.scot](#) platform has been designed to provide a consistent, user-friendly system for accommodation providers across Scotland. It is scalable, meaning other local authorities can adopt it over time to ensure standardisation of returns and payments.

Key features

- **Registration:** Providers will be able to register their property or properties by entering basic details such as:
 - Accommodation type (e.g. hotel, B&B, campsite, self-catering, hostel)
 - Number of units or rooms
 - Relevant reference numbers (e.g. NDR, Council Tax, or Short-term Let Licence)
 - Website and VAT number (if applicable)
 - Correspondence detailsProviders may also use a unique code to fast-track registration.

- **Quarterly returns:** Providers must submit quarterly visitor levy returns in arrears, reporting total accommodation revenue only (excluding meals, transport, and other extras) for each month in the period.
- **System prompts:** Where a local authority has specific conditions (such as a cap on chargeable nights or a defined start date), the platform will prompt providers to enter the information needed to ensure accurate calculation.
- **Payments:** Once a return is submitted, the system will display the levy amount due, which can be paid online or by bank transfer.

7.4 What does this mean for accommodation providers in Edinburgh?

In Edinburgh, the visitor levy will apply from **1 October 2025** for all forward bookings with stays taking place on or after **24 July 2026**.

City of Edinburgh Council have published [information for businesses](#) on the specifics of their scheme.

The first levy remittance will not be due until **October 2026**, covering the period from 24 July to 30 September 2026.

Accommodation providers will be able to onboard to the **visitorlevy.scot** platform in advance, giving time to register properties, familiarise themselves with the system, and prepare for returns.

7.5 Will the system be mandatory?

Each local authority will decide whether to use the national **visitorlevy.scot** platform or to operate an alternative local system.

It is expected that most authorities introducing a visitor levy will adopt the national platform, as this will provide consistency and ease of use for accommodation providers across Scotland.

7.6 What happens if the system fails or there are errors?

The visitor levy guidance for local authorities provides examples of what may constitute a **reasonable excuse** for non-compliance, including certain technical issues.

This list is not exhaustive. Local authorities should provide clear guidance and support channels for accommodation providers experiencing problems.

For further information, visit: [VisitScotland – Visitor Levy](#).

7.7 Will guidance and training be provided on system use?

A dedicated **helpdesk** will be available through the platform, supported by a comprehensive range of training materials. These will be issued ahead of launch to help accommodation providers register, submit returns, and make payments with confidence.

7.8 How often must returns be submitted?

The frequency of returns is determined by each local authority. However, the national **visitorlevy.scot** platform, which most authorities are expected to use, will operate on a **quarterly cycle in arrears**.

This means returns will be submitted four times a year, aligned with the financial year quarters, providing consistency across Scotland.

For further information, visit: [VisitScotland – Visitor Levy](#).

7.9 Will there be accommodation provider exemptions from frequent remittance or reporting? (e.g. small businesses, individual operators)

All accommodation providers that fall within the scope of the visitor levy (see [Question 4.1](#)) are expected to follow the same remittance deadlines as other providers, unless a local authority specifies otherwise.

Even where a provider has **no visitor levy to declare** for a reporting period, they will still be required to submit a **nil return** each quarter. This ensures a clear audit trail and avoids repeated requests for information from local authorities.

If you are closed for an extended period (e.g. seasonally, or undergoing renovations), the online platform allows you to mark your property as temporarily closed, and you do not have to submit a nil return. This is at the local authority's discretion, and the accommodation must be closed for an annual quarter or more.

7.10 Who do I contact for help with visitor levy compliance?

Each local authority operating a visitor levy scheme will publish guidance on how it works locally, including contact details for support.

For a list of local authority details, visit: [VisitScotland – Visitor Levy](#).

7.11 Who do I contact for further support for questions on the levy not raised in this document?

Step 1: Check your local authority's visitor levy page, which should answer most area-specific questions. Links to these can be found here: [VisitScotland – Visitor Levy](#).

Step 2: If you still need help on questions relating to the levy applied in your local authority, contact your local authority directly.

Step 3: For specific enquiries about these FAQs, you can email: business.support@visitscotland.com.

Please note that in some circumstances it may be advised that you seek independent tax or legal advice

8 | Final Note

The [Visitor Levy \(Scotland\) Act 2024](#) gives local authorities the power to design and implement their own visitor levy schemes. **These FAQs should be read in conjunction with your local authority guidance.**

For further information and links to each local authority, visit: [VisitScotland – Visitor Levy](#)