

GST ON ONLINE BOOKINGS NEEDS TO APPLY TO ALL OVERSEAS ONLINE TRAVEL DISTRIBUTION CHANNELS

The tourism accommodation sector will have significant issues if the Government's move to apply GST to overseas online bookings exempts those Airbnb properties which actually operate as commercial short-term accommodation, Tourism Accommodation Australia CEO Carol Giuseppi said today.

Ms Giuseppi said the application of GST on online bookings announced in Tuesday's Federal Budget is a natural extension of the move by Government to ensure online retailers pay their fair share of GST.

But she said it needs to apply to all overseas online travel distribution channels.

"The industry would have real issues if those Airbnb properties, which in reality operate as commercial short term accommodation, were exempt from this move," she said.

"The fact is over 32% of properties booked through Airbnb are not home sharing and are actually operating in the commercial short term accommodation market.

"This proposed legislation will further tilt the playing field towards Airbnb as a distribution channel, as the continued lack of State Government action means there is no transparency in this market."

Ms Giuseppi said governments and government bodies were creating a significant inequity in the tourism market.

"This disadvantages hotels, motels and serviced apartments which pay taxes, insurance and employ close to 200,000 people contributing significantly to the economy," she said.

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