

A Visitor Levy for Edinburgh

The City of Edinburgh Council intends to utilise the powers conferred on it by the Visitor Levy (Scotland) Act 2024 ('the Act') to impose a levy in respect of persons staying in certain types of accommodation overnight in its local authority area. Below are the details of the Visitor Levy for Edinburgh Scheme ('the Scheme').

1. **Scheme Objectives**

The overarching aim of the Scheme is to sustain Edinburgh's status as one of the world's greatest cultural and heritage cities and to ensure that the impacts of a successful visitor economy are managed effectively and in support of the priorities as set out in the Council's Business Plan (or equivalent).

The objectives of the Scheme are therefore to Sustain, Support and Develop:

1. Public services, programmes and infrastructure that provide an enjoyable and safe visitor and resident experience.
2. Edinburgh's culture, heritage and events provision to ensure it remains world-leading and competitively attractive to visitors as well as residents.
3. The city's visitor economy, by fostering innovation in response to environmental and societal challenges, enhancing Edinburgh's global reputation while promoting responsible and sustainable tourism.

2. **Scheme area, start date and duration**

The Scheme covers the entirety of the City of Edinburgh Council boundaries and will apply to overnight stays from 24 July 2026, booked and paid for (in part or full) on or after 1 October 2025. It will apply indefinitely, or until the Council decides to end or amend it, and at all times of the year.

3. **The levy rate**

The levy rate will be 5%, payable for a maximum of five consecutive nights and will apply at the same level, year-round, across the entire City of Edinburgh Council boundary area.

4. **Accommodation liable for the levy**

The levy will apply to all overnight accommodation, including those with an annual turnover below the applicable VAT threshold, based within the City of Edinburgh Council boundary.

This includes:

- Hotels;
- Hostels;
- Guest houses;
- Bed and breakfast accommodation;
- Self-catering accommodation, including short-term lets;
- All paid accommodation on caravan sites and campsites, including temporary tent and campervan pitches;
- Accommodation in a vehicle, or on board a vessel, which is permanently or predominantly situated in one place; and

- Any other place at which a room or area is offered by the occupier for residential purposes otherwise than as a visitor's only or usual place of residence.

Certain accommodation providers may apply to the Council for a discretionary site exemption if they meet both of the following criteria:

- The property is occupied by a charity or trustee of a charity; and
- Overnight stays must be wholly or mainly for charitable purposes.

This discretionary exemption is aligned with the cases where charities may receive mandatory relief from paying Non-Domestic Rates and may be cross-checked with that register.

Accommodation providers who do not charge for overnight accommodation, or who cater fully for individuals who are exempted from paying the levy are not liable for the levy.

5. Individuals exempted or excluded from paying the levy

The Visitor Levy is payable by anyone staying in accommodation which is not their only or usual place of residence (temporary or otherwise). Individuals who do not have an only or usual place of residence are therefore not required to pay the levy. This includes people who are homeless, refugees and asylum seekers and people whose homes are unfit or unsafe for habitation.¹ In addition, individuals defined in s. 14 (1) of the Act are exempt from paying the levy.²

Individuals who are exempt or excluded will need to pay the levy to the accommodation provider and request reimbursement from the Council, unless their accommodation has been arranged and paid for directly via the Council. Reimbursement can be applied for online, submitting relevant evidence (as detailed below and on the Council's website) and bank details (to enable payment via BACS). Alternative provision can be made for those who do not have internet access.

Evidence which will be required to be submitted includes:

- The name of person exempted/excluded;
- If exclusion applies, verification of such status from relevant official body (this can include the Council's Homelessness service, Social services, relevant third sector provider, Police Scotland etc);
- If exemption applies, a copy (scan/photo) of the relevant benefit award letter or similar document;
- Booking confirmation/accommodation invoice - the name of the person exempted/excluded should be included on this document; and
- Proof of payment for overnight accommodation.

The Council will assess the evidence received and pay the reimbursement via bank transfer within 5 working days if the applicant is found to be eligible.

¹ For further consideration of individuals not within the scope of the legislation, refer to [Visit Scotland's Guidance on the Visitor Levy](#)

² As at the time of agreeing the Scheme, this is only people in receipt of the following benefit payments: Disability Living Allowance, Disability Assistance, Attendance Allowance, Pension Age Disability Benefit and Personal Independence Payment.

6. **Collecting and enforcing the levy**

Accommodation providers within the local authority area will be liable for the levy. They will be required to submit quarterly reports, detailing the total accommodation charges and the total levy collected to a national online visitor levy portal. The levy will be payable at the same time as submitting returns.

Accommodation providers are required to keep accurate records of all transactions that are subject to the levy. The Council will conduct inspections, as required, to ensure compliance with the scheme and remittance requirements.

Accommodation providers who fail to comply may be subject to penalties.

Appeals relating to decisions made by the Council on the operation and/or enforcement of the scheme can be registered following the Visitor Levy appeal process detailed on the Council's website. The Council will aim to review and process such appeals within 28 calendar days.

7. **Use of net proceeds**

The Act stipulates that the net proceeds of a visitor levy must be spent on facilitating the achievement of the scheme's objectives and on "developing, supporting and sustaining facilities and services which are substantially for or used by persons visiting [overnight] for leisure or business purposes (or both)".

After administration costs, which includes the establishing and maintenance of a contingency fund, a fixed amount will be assigned to:

- Housing and tourism mitigation (£5m p.a.);
- Participatory budgeting (£2m over 3 years) with appropriate audit checks in place to ensure that these funds are spent on facilitating the achievement of the scheme's objectives; and
- Reimbursement of 2% of remitted funds to Accommodation Providers, to off-set the administrative cost incurred from operating in accordance with the Scheme and collecting visitor data

The remaining funds will then be split into the following investment streams:

- City Operations and Infrastructure (55%);
- Culture, Heritage and Events (35%); and
- Destination and Visitor Management (10%).

The Council will make decisions on the use of funds after consultation with the Visitor Levy Forum (see details below), with these decisions delegated to the relevant executive Committees.

8. **Reviewing and changing the scheme**

The Council will review the scheme every three years to assess whether it is successfully achieving its objectives and to measure the impact of the scheme on businesses, visitors and communities. The review will be published along with a report detailing how the income has been spent and the benefits which the VL-funded projects have brought.

If the Council wishes to make changes to the scheme following the review, it will publicly consult on the change and publish a report detailing the decision and its justification. Significant changes to the scheme will require an 18-month implementation period. Significant changes to the scheme include:

- Increasing the scheme area;
- Increasing the percentage rate; and/or
- Removing any exemptions.

9. Visitor Levy Forum

A Visitor Levy Forum will be established to discuss and advise on the VL scheme, including the review of the scheme and any modifications to the scheme. The Forum will also be consulted on how the VL funds will be spent.

The Forum will be made up of an equal number of representatives from the community and from businesses in the city's visitor economy and at least 40% of the representatives must be women. Council officers responsible for the investment streams and officers from the Council's Programme Management Office will be in attendance at Forum meetings and may make recommendations to the Forum but will not be members of the Forum itself.