TOMSA

Tourism Levy South Africa

Adding Value to Tourism

POCKET GUIDE

How to collect the Tourism Levy

a step by step guide

INTRODUCTION

This pocket guide has been developed with the TOMSA levy collecting business in mind. It is meant to be an easy to use guide on how to assist businesses to support TOMSA, thereby playing a valuable role in contributing to the promotion of destination South Africa.

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FREQUENTLY ASKED QUESTIONS

What is the tourism levy?
The tourism levy, also referred to as TOMSA, is the 1% charge paid by tourists for the use of specific travel and tourism services in South Africa.

Why is the tourism levy charged?
The levy is a means to enable business in the local travel and tourism industry to plough back into the industry and support the promotion of destination South Africa locally and internationally.

On what tourism services is the levy charged?
The levy is charged as follows:

- Accommodation sector: 1% charged on the room-rate
- Tour Operators: specific rate per person, per tour at R3.00
- Car Rental: 1% charged per car rental
- Travel Agency sector: 1% charged on service fee locally and internationally.

Who pays the tourism levy?
The tourist, as the consumer of these specific tourism services pays the levy. As such in this way, they are also contributing to the growth and promotion of the local travel and industry locally and internationally.

TOMSA is one%

What role does the tourism business play with regards to the levy?

Tourism businesses play a critical role in the collection of the levy. As the supplier of tourism services, they also act as the main conduit between the tourist who consumes these services and the administrators of the tourism levy.

On a monthly basis, tourism business consolidates all levies collected and pays the funds over to the levy administrators at the Tourism Business Council of South Africa (TBCSA).

Is it compulsory for my business to collect the tourism levy?

Whilst many countries around the world charge a compulsory tourism tax which can be steep, what makes the tourism levy unique is that it operates on a voluntary system.

The tourism levy does not constitute a tax. Levy collectors have made a conscious decision to support the industry as a collective to raise the profile of destination SA and contribute to the industry's growth and development through the tourism levy. However, it is compulsory for every tourist/traveller to pay the the levy at all places where the levy is collected.

What is the TBCSA?

The Tourism Business Council of South Africa (TBCSA) is an umbrella organisation which represents organised businesses in the local travel and tourism industry. It is the collecting agent for all levies collected by business from the various sectors and ensures that levies collected are further distributed to the relevant initiatives.

What is the money used for?

The main aim of the tourism levy is to create, build and maintain awareness of South Africa as a top tourist destination through generic marketing campaigns aimed at well researched target markets. The levy is not intended to benefit a specific region or organisation but keeps South Africa on the global travel and tourism map.

Some organisations might not see the direct link between the Tourism levy and visitors, but if it was not for the levy its direct impact on businesses will be felt immediately. South Africa will slowly fade away as a must see destination.

How are the businesses assured that the levies collected are used for its intended purpose?

The relationship between the TBCSA and South African Tourism, with respect to the collection of levies is regulated by a three-year Memorandum of Understanding (MOU). Through this MOU, there is a commitment from both parties as to the collection, management and usage of levies collected. The MOU ensures that South African Tourism and TBCSA Executives meet regularly to discuss TOMSA and industry related matters.

GUIDELINES ON BECOMING A LEVY COLLECTOR

How do I become a levy collector?

Step 1
Complete the TOMSA Levy Agreement online at www.tomsa.co.za and a signed copy will be sent to you and the membership team.

Step 2
Upon receiving your signed copy of the agreement for your records, you'll also be sent the membership number included in the welcome letter

Step 3
TOMSA levy collection now begins. Don't forget to submit your proof of payment on a monthly basis to ensure you remain a good standing TOMSA levy contributor to receive your annual certificate.

one% adds value

When do I pay the tourism levy to TOMSA?

As per the TOMSA agreement, payments must be made on a monthly basis and no later than 15 days following the last day of the accounting month.

What reference must I use?

It is critical to use the correct reference number when making payment or you might encounter problems when the reference number is not accepted

Every levy collector receives a Unique Account Number. The reference number FOR PAYMENT is your account number and consists of 1 letter and 3 numbers. Always use the trading name of the establishment and not the name of the holding company.

Where do I pay the levy?

ACCOUNT HOLDER: Tourism Marketing South Africa

BANK NAME: First National Bank

BRANCH NAME: Centurion

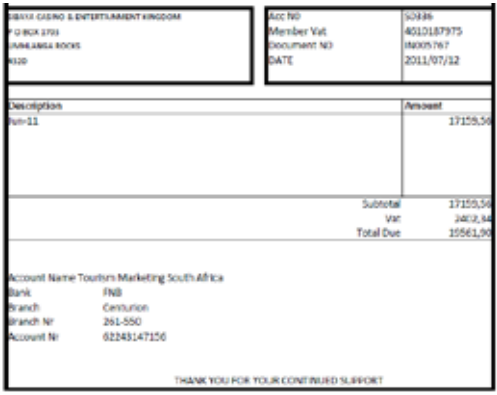
BRANCH CODE: 261 550

ACCOUNT NUMBER: 622 4314 7156

Why can't I receive an invoice before I make a payment as with most other services/ purchases/ payments?

TOMSA does not operate like most organisations. The amount you pay to TOMSA will never be the same for each month. It depends on your own occupancies and services provided. We cannot provide you with an invoice beforehand as we simply do not know how much the organisation collected the levy during a specific month. A tax invoice will be sent to the collector after each payment has been received. This tax Invoice is an acknowledgement of the receipt of the tourism levy payment.

EXAMPLE OF TOMSA TAX INVOICE



SUNVA CASINO & ENTERTAINMENT KINGDOM		Acc NO	50486
P O BOX 3703		Member Vat	4010187975
LUMLANGA ROCKS		Document NO	IN005767
4320		DATE	2011/07/12

Description	Amount
Inv-11	17159,56
Subtotal	17159,56
Vat	2402,34
Total Due	19561,90

Account Name Tourism Marketing South Africa
Bank FNB
Branch Centurion
Branch Nr 261-550
Account Nr 62243147156

THANK YOU FOR YOUR CONTINUED SUPPORT

Why can't I use the money for my own purpose?

REMEMBER! The money is collected from the guest, therefore prohibits the organisation from keeping the TOMSA levy collected. Not paying over the TOMSA levies constitutes as fraud. The guest agrees to pay the levy based on the understanding and agreement between the establishment and TOMSA - that the money will be spent on the generic marketing of destination South Africa only.

EXAMPLE OF AN INVOICE

Accommodation	**Car Rental**	**Tour Operator**	**Travel Agency**
Accommodation R1000 **1% tourism levy R10**	1 day vehicle rate R350 Damage Waiver R250 Theft Waiver R240 **1% tourism levy R3.05**	Soweton Tour R500 **Tourism Levy R3**	Airline A R5700 Hotel A R300 City Tour R600 Service Fee R450 **1% Tourism levy R4.50**
Total R1010	Total R843.10	Total R503.00	Total R7054.50
VAT R141.40	VAT R118.00	VAT R70.42	VAT R987.63
Grand Total R1151.40	**Grand Total R961.10**	**Grand Total R573.42**	**Grand Total R8042.13**

- Clearly state the tourism levy rate
- VAT is charged on the tourism levy

This is for illustration purposes only

TOMSA LEVY COLLECTOR BENEFITS

How will collecting the levy benefit my business?

- The Tourism Safety Initiative (TSI) is a new benifit for TOMSA levy collectors. This initiative is a national crime prevention and victim support programme for the tourism industry in South Africa. The programme assists in eliminating crime in our industry and country as a whole. By using combined resources TSI can effectively assist the South African Police to measure the impact of crime on the Tourism industry.
- Increased marketing budget results in increased number of tourists. The overall benefit of levy collectors is the contribution to the growth and development of the sector

Following the strengthened relationship between TBCSA and South African Tourism, the following benefits accrue to your business as a levy collector:

- Receive up to 20% discount when exhibiting at local trade shows hosted by South African Tourism
- Earn 3% score in terms of the BEE Tourism Charter

The organisation must be a registered TOMSA levy collector in good standing. That means that the organisation must have a signed agreement. Secondly, the organisation must collect the levy directly from the tourist on monthly basis and pay over to TOMSA levy office for a period of not less than 6 months. Documentation required for BEE Verification to earn 3% BEE points:

- Signed TOMSA levy Agreement
- Six TOMSA levy invoices
- Letter of good standing (if a levy collector for less than a year and not less than six months)
- Annual TOMSA levy certificate (if a levy collector for more than 12 months)

- Receive 10% discount on tourism graded fees
- For products that have never been graded from May 2012 receive discounts as follows
  Year1: 25%, Year 2: 15%, Year 3: 10%

TOMSA LEVY COLLECTOR BENEFITS - CONTINUED

- Preference will be given to organisations that are TOMSA levy collectors and graded when SAT selects products to be used during sponsored familiarization trips
- Dates of international road shows and trade shows that SAT attends will be available to levy contributors each year to prepare for their participation
- Preferential profiling in all accommodation listings on the SAT website (if establishment is also graded). Receive bi-annual updates on industry performance, through the bi-annual Tourism Business Index
- Preference will be given to levy collectors when selecting service providers to take part in speed marketing sessions. Receive an opportunity to be elected on the TOMSA board.
- The platform to promote your products and services through the various SAT online platforms
- Receive quarterly and annual feedback on SAT's marketing programs

CODE OF CONDUCT

Compliance with this Code of Conduct is a condition of becoming a registered TOMSA levy contributors.

- Support and encourage local and international marketing and development efforts thereby contributing to the growth and sustainable development of South Africa.
- Respect the Constitution of South Africa and all relevant legislation.
- Protect and enhance the natural environment and resources of South Africa.
- Refrain from activities that might cause harm or discredit the organisation and the Travel and Tourism Industry.
- Always provide accurate and unambiguous information regarding the TOMSA levy and ensure that no advertising material, brochures, websites, emails etc mislead the public or discredit the levy system and efforts.
- Clearly indicate that the TOMSA levy is charged and display the TOMSA levy logo where possible.
- Promote awareness and understanding of the TOMSA levy where possible at any appropriate forum to the public and organisations not already collecting the TOMSA levy.
- Actively participate in the activities, meetings and communication efforts of TOMSA.
- Inform TOMSA levy office of any levy contributors who are not abiding by the TOMSA levy Code of Conduct.
- Registered levy contributors will abide by the terms and conditions of the TOMSA levy Agreement and observe not only the letter, but the spirit of the Code of Conduct.
- Any breach in the Code of Conduct or TOMSA levy Agreement may result in the termination of your TOMSA Agreement.
- TOMSA makes real sense. The increased awareness of South Africa has a direct impact on tourist arrivals. More tourists mean more jobs.
- By being a TOMSA levy collector, you are adding value to this national effort!
- Play YOUR part in ensuring South Africa remains a top international tourist destination now and into the future!

SUPPORT TOMSA, It's adding Value to tourism!

TOMSA

Tourism Levy South Africa

Adding Value to Tourism

YOUR CHANCE TO PARTICIPATE & SUPPORT SOUTH AFRICA'S DESTINATION MARKETING INITIATIVES

For more information on how you can add value to tourism contact us on:

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E: membership@tbcsa.travel
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