

Tourism Dirham

Overview

The Tourism Dirham fee is a new minimal charge applied to guests staying in all hotels and hotel apartments in the Emirate of Dubai. The small fee will be payable per night, per room and added to guests' bills and collected at check-out. The fee is effective from 31st March 2014, except for stays that commence prior to 1st June 2014 and have been paid for in full on or before 23rd February 2014.

The fee is scaled at varying levels according to the star rating of the hotel or classification of the hotel apartment and ranges from 7 dirhams (US\$ 1.90) per room, per night, for a one-star hotel to 20 dirhams (US\$ 5.44) per room, per night, for a five-star hotel or resort.

The resulting revenues will be used solely to fund the development of the Emirate's tourism and trade sectors. Such tourism fees are customary in a number of the world's top destinations.

The fee was passed into law under Executive Resolution No. (2) of 2014 on 24th January 2014.

Detailed Breakdown of Fees

	Hotel Establishment Classification Category	Fee per Occupied Room (or holiday home) per Night (in UAE Dirhams)	Approximate Fee per Occupied Room (or holiday home) per Night (in US dollars)
1	Five-Star or Higher-Rated Hotel or Resort	20	5.44
2	Four-Star Hotel or Resort	15	4.08
3	Three-Star Hotel or Resort	10	2.72
4	Two-Star Hotel	10	2.72
5	One-Star Hotel/ Budget Hotel	7	1.90
6	Deluxe Hotel Apartment	20	5.44
7	Superior Hotel Apartment	15	4.08
8	Standard Hotel Apartment	10	2.72
9	Guest House	7	1.90
10	Deluxe Holiday Home	15	4.08
11	Standard Holiday Home	10	2.72



Points of Clarification

Date of Implementation

Under Dubai Governmental Law, the Tourism Dirham will be applicable as of 31st March 2014.

Payer and Receiver

The Guest will pay the fee on a per room, per night basis. The fee is calculated per room NOT per person.

Receiver

The hotel establishment is responsible for collecting the fee.

Point of payment

The fee will be collected by the hotel establishment at check-out. The fee will be added to a bill, invoice, receipt or other similar document as a separate line item and will appear on the document after the Municipality Fee and Service Charge.

Notifications to Guests

DTCM has supplied all hotel establishments and Dubai-based tour operators and DMCs with an official Dubai Governmental document that should be shared with guests notifying them of the introduction of the fee. The hotels will liaise with industry partners such as Tour Operators, Travel Agents and DMCs to provide them with the information.

Exemptions

- 1) Transition Period: The fee does not apply for any stay that commences between 31st March 2014 and 1st June 2014 provided the stay has been paid for in full by the Guest on or before 23rd February 2014. Hotel Establishments are expected to maintain records of such payments for audit purposes.
- 2) Late Checkout: The fee does not apply for cases where a Guest extends a stay partially, with or without a corresponding partial payment to the Hotel Establishment
- 3) Hotel Use Rooms: The fee does not apply for rooms that are not classified to be rented to Guests as part of the Hotel Establishment's inventory. These rooms are designated as accommodation supplied by the Hotel Establishment to its own employees

Legality of implementation

The Tourism Dirham is a fee which has been introduced by the Dubai Government under Executive Resolution No (2) of 2014, therefore comes under the laws and regulations of the Emirate of Dubai and is applicable for all unless the stay qualifies under at least one of the Exemptions listed above.



Bookings that straddle 31st March 2014

The fee will not apply to nights pre-March 31st but will apply to each individual night from 31st March onwards.

All-inclusive stays

All-inclusive stays incur the fee, unless they qualify under at least one of the Exemptions listed above.

Existing Bookings

The fee will apply to all existing bookings unless they apply under at least one of the Exemptions listed above.

Proof of booking/payment

In the case of stays which commence between 31st March 2014 and 1st June 2014 the hotel establishment may request a proof of payment from the Guest clearly stating that the stay has been booked for in full prior to 23rd February 2014. Hotel Establishments are expected to maintain records of such payments for audit purposes.

Reason for fee

The fee is minimal but the benefits to the tourism industry within and associated with Dubai are significant. The revenues will be invested in broadening and enhancing the destination offering and in the marketing of the destination, resulting in a more compelling destination offering.