

VISITOR LEVY

(Visitor Levy (Scotland) Bill)

Accommodation Owner Survey Findings

December 2025

LOSSIEMOUTH BUSINESS
ASSOCIATION

Introduction

In April 2024, the Lossiemouth Business Association (LBA) published a briefing paper for the information of accommodation owners in Lossiemouth regarding the proposed Visitor Levy in Scotland. In February 2025, an updated briefing paper was published following Moray Council's decision to conduct a public consultation on their proposal to introduce the levy in the Moray area.

Research by the LBA identified over 70 separate accommodations in the town available for short term let. This included hotels, bed and breakfast accommodation and self catering properties.

In order to gauge the thoughts on the visitor levy by these accommodation owners, the LBA produced a short survey for completion.

In late March 2025, the survey questionnaire was hand delivered to each accommodation accompanied by a covering letter, information sheet about the LBA and a stamped address envelope. It was recognised many individual properties were run by providers running multiple properties.

Additionally, the covering letter included a QR link to both briefing papers as well as an online version on the survey.

The Survey

The survey consisted of two key questions;

Q.1 - Based on your current knowledge of the visitor levy, do you:

1. Support the levy in its current form?
2. Against any form of levy?
3. Support the levy in principle but not in its current form?

Q.2 - As an accommodation provider in Lossiemouth, over the next 2-3 years, do you:

1. Plan to continue running your accommodation business?
2. Plan to cease running your accommodation business?
3. Consider ceasing running your accommodation business?

Additionally, respondents were asked to provide free comment on both of the above questions.

If the answer to Question 1 was 'support the levy in principle but not in its current form', they were asked 'what changes would you like to see?'

If the answer to Question 2 was 'plan to cease' or 'consider ceasing' running their accommodation business, they were asked to state their reasons.

Three further questions were included in the survey:

Q.3 provided respondents with the opportunity to make any additional comments on the visitor levy

Q.4 asked if they wanted to be kept up to date by the Lossiemouth Business Association on the progress of the visitor levy in Moray and receive the survey results.

Q.5 asked if they would like further information about joining the Lossiemouth Business Association.

The Results

19 accommodation owners responded.

Q.1 - Based on your current knowledge of the visitor levy, do you:

1. Support the levy in its current form?
2. Against any form of levy?
3. Support the levy in principle but not in its current form?

1 x supported the levy in its current form.

9 x were against any form of levy.

9 x supported the levy but not in its current form.

Of the 8 respondents who supported the levy but not in its current form, the comments included;

- An App developed centrally by Scottish Government, using a flat night rate so the levy forms no part of the accommodation providers income.
- Charge only tourists and organise collection themselves. We don't want the extra work.
- Extra income generated by the VL could take businesses over the £90k tax free threshold (meaning less profit for businesses)
- We are now unpaid tax collectors.
- Levy does not account for breakfast or laundry so will be a nightmare to calculate, especially as a lot of guests pre-pay. What is the process for B&B's.
- If a guest refuses to pay it, or is unable to pay it, the process is unclear.
- Should be a fixed cost, not a % rate as this will be an onerous task for STL's.
- Please advise why a visa or entrance fee cannot be charged at point of entrance for overseas visitors, much like the ESTA system in the USA.
- Can the levy be charged through our channel manager?, or paid directly through OTA?.
- Only apply the levy to tourists.
- People visiting Scotland can buy a visa through government website.
- I'm sure this money collected will be swallowed up in the rest of the tax collection and we or our guests will not see any benefit for it.

Q.2 - As an accommodation provider in Lossiemouth, over the next 2-3 years, do you:

1. Plan to continue running your accommodation business?
2. Plan to cease running your accommodation business?
3. Consider ceasing running your accommodation business?

8 x plan to continue.

2 x plans to cease.

9 x are considering ceasing.

Of the 11 respondents who stated they were either ceasing or considering ceasing running their accommodation business, the reasons included;

- The council are making it hard work to run a self catering property. Recent sales as example. Suicide for the tourist trade and will effect local businesses.
- They are wanting our properties to run LTLs because they cant solve the housing crisis, or trying to squeeze as much money out of us as possible.
- Had enough of the politics and finding it stressful having to fight to keep the pennies we earn.
- Increased associated costs, the small profit margin we used to see is diminishing. There is no help or support from the government.
- Bureaucracy.
- Retirement.
- Rising costs, the levy would be another added burden. Many businesses are struggling as it is. It just wouldn't be worth it. I would be working very hard for very little money. I couldn't afford it is the bottom line. I think it will be a disaster.
- We are being taxed out of existence and no guarantees where this tax will end up.
- Too many extra costs and regulations.
- Believe the extra charge will reduce bookings due to the need to increase our daily price. Also unaware of what facilities and services need to be developed, supported or sustained for visitors to Moray.
- Getting too much hassle.

Q.3 provided respondents with the opportunity to make any additional comments on the visitor levy

Additional comments were as follows;

- Guests don't recognise council boundaries so should be similar format across the country, even if % or rate changes.
- They are wanting too much involvement in our business.
- We are not a city and struggle to get visitors all year round. We don't have a good town centre, people wont come if more costs are added they will go where there are more facilities and better value for money.
- Obtaining accommodation licence was a very expensive process so additional charging is not welcome. More importantly, we do not have an over abundance of visitors to our region and so the levy will discourage and not encourage trade.
- Its an ill thought out cash grab.
- Another tax collection for council

- Visitor levies are quite common now in most areas. However they should be used wisely to increase services for everyone in the area.
- This is just another excuse by the Scottish Government to extract cash from businesses already supporting the local economy by encouraging tourism and business visitors to the area.
- I think the levy would discourage visitors.
- The tax will reduce the amount of money that is spent in the local community on hospitality etc.

Q.4 asked if they wanted to be kept up to date by the Lossiemouth Business Association on the progress of the visitor levy in Moray and receive the survey results.

16 of the respondents were interested in being kept up to date on the progress of the visitor levy in Moray

Q.5 asked if they would like further information about joining the Lossiemouth Business Association.

6 respondents were interested in further information about the Lossiemouth Business Association.

Summary

It is evident from the respondents that apart from one, accommodation owners in Lossiemouth are against the imposition of a Visitor Levy or do not support it in its current proposed form.

The main themes for opposition of the Visitor Levy are;

- The additional work and associated costs which collection of the levy will be incurred by the accommodation owner.
- The additional Income from the levy will push some accommodation owners above the VAT Threshold.
- The levy is being applied to guests other than tourists, i.e. business guests and those visiting the area for medical appointments.
- If imposed, the levy should be a flat rate and not percentage based.

No positive comments were received.