



April 30, 2024

Dear Monte Carvoeiro Owner

I am writing to bring you up to speed with a very recent and unexpected development with respect to Monte Carvoeiro.

It appears that Lagoa town council have taken the decision to implement a new tourist tax for all hotels and tourist developments located within Lagoa district. This includes Monte Carvoeiro.

Apparently, this decision was taken on April 13, 2024 but the Resort is still to receive any official notification from the council and we only became aware of the new tax as a result of a news story on the Portugal News website, which happened to be spotted by a member of staff at Resort Solutions. Natalia has contacted the council who have confirmed the tax has been introduced. Whilst it appears that some of the detail is still to be worked through, the council have confirmed the following:

- The tax will be payable on a per person, per night basis.
- The charge will be €2 per person, per night in the summer season (April to October)
- The charge will be €1 per person, per night in the winter season (November to March)
- The charge is capped at a maximum of 7 nights, so the same fee applies whether you are staying for one week or two weeks or more.
- There are exemptions for the under 13s and for people with disabilities (although certain criteria apply to these).

At the moment details are sketchy and it appears that the council have still to think through the fine workings of the scheme. Natalia is due to attend a meeting this week where it is hoped further details will emerge.

Due to the way in which the charge is calculated (based on nights occupied and number of people in occupancy) and the fact that the tax is payable by the holder of the tourism licence in Portugal, the tax must be collected on check-in at the Resort or shortly afterwards but must be done during your stay.

The Committee have considered this matter and whilst we are disappointed with both the introduction of the tax and the seemingly unplanned way it is being implemented, as a legal requirement and as a local tax, we have no option but to put in place plans for the collection of this new tax with effect for check-ins from Saturday May 4, 2024.

The tax will be collected at check in and initially will have to be payable in cash. Natalia is looking at alternative methods of payment but at the moment, it is unlikely these can be implemented in the short term (if at all). It is likely that owners and guests will be provided with some form of invoice or proof of payment of the tax but these details are still to be worked through with the council.

Obviously, this is an unwelcome development and I can only apologise for both the short term nature of the notice we are giving and the relative lack of detail, both of which are due to the lack of communication we have had from Lagoa council.

Yours sincerely

Chairman