FOR IMMEDIATE RELEASE

CARIBBEAN HOTEL & TOURISM ASSOCIATION (CHTA) REAFFIRMS OPPOSITION TO BOOKING.COM COMMISSIONS ON GOVERNMENT-IMPOSED TAXES

CHTA Urges Booking.com to Reconsider as Hotels and Accommodation Providers Across the Caribbean Face Added Costs

FORT LAUDERDALE, Fla. – November 2, 2026 – The **Caribbean Hotel & Tourism Association (CHTA),** representing 32 national hotel and tourism associations and the accommodation providers within those destinations across the region, today reaffirmed its opposition to Booking.com's policy of calculating commissions on government-imposed taxes, including VAT and GST. CHTA has advocated on the issue since May, and recent notifications to hotels in Jamaica and Antigua & Barbuda have intensified its concerns. The policy adds to distribution costs across the Caribbean hospitality sector, placing particular pressure on independent properties operating on narrow margins.

Booking.com notified accommodation partners that it would extend its commissionable base to include VAT, GST, and other government-imposed taxes that hotels collect and remit in full to national governments. Delivered as a unilateral update to Booking.com's General Delivery Terms, the policy took effect on May 15, 2026 in certain destinations, while hotels in other markets have received later implementation notices, including for new bookings beginning Nov. 17 in Antigua & Barbuda and Jamaica. Booking.com describes the policy as part of a "global standardization" of its commission calculation practices, and information gathered by CHTA raises questions about how consistently that standard applies across markets. CHTA challenges the policy on principle, whatever its treatment elsewhere.

CHTA first raised its objections directly with Booking.com in May 2026 and has since engaged national hotel and tourism associations and regional tourism stakeholders to assess the policy's implications across jurisdictions. Its position remains firm: government-imposed taxes collected and remitted by hotels should not form part of the commissionable revenue base.

The Principle at Stake

Government-imposed taxes such as VAT and GST are statutory pass-through amounts collected on behalf of national governments and remitted in full under the law. They sit outside hotel revenue, so a commission calculated on them raises distribution costs without adding to what a hotel earns. Independent and small properties may feel disproportionate pressure given their narrow margins, and the broader hotel industry may be affected as well.

"Taxes remitted to governments belong to those governments and sit outside hotel revenue," said Sanovnik Destang, President of CHTA. "Applying a commission to those funds raises the cost of distribution while hotel earnings remain unchanged. This is a matter of principle and fairness that affects accommodation providers across our region. CHTA will continue to advocate firmly for a fair and equitable resolution."

A Question of Consistency
Booking.com's own published General Delivery Terms point to different approaches by market. Those terms exclude government taxes from the commission calculation in the United States, with additional exclusions for Dubai and Egypt, while published U.K. terms include taxes in the commissionable base. Recognizing that legislation and contracts may vary by market, CHTA asks that Caribbean hotels receive comparable treatment and that Booking.com provide greater transparency on how the policy is applied across markets and accommodation providers.

A Unified Regional Response
Concern extends across the Caribbean and is prompting engagement by national associations and governments. Engagement is under way at the association and government level: the Jamaica Hotel & Tourist Association has raised the matter with the Jamaican government, sent a formal letter to Booking.com, and held an initial meeting with Booking.com on the matter; the Barbados Hotel & Tourism Association has issued guidance to its members; and the Turks & Caicos Hotel and Tourism Association has issued guidance and publicly opposed the change following CHTA's outreach to members.

CHTA has challenged Booking.com's commission practices before. In 2019, following representations from the association, Booking.com agreed to exempt destination fees from commissions, although concerns regarding commissions on employee tips and gratuities remained unresolved. This history reinforces CHTA's longstanding advocacy for fair commission practices across the region

Economic Consequences for the Region
The Caribbean hospitality sector already navigates high operating costs, elevated tax burdens, and intense global competition. Including government-imposed taxes in the commissionable base increases distribution costs without generating additional hotel revenue. For some properties, particularly independent hotels operating on thin margins, this added cost may be unsustainable. CHTA is also mindful of the potential for further margin pressure and for effects on pricing and distribution channel balance.

A simple example illustrates the effect. At a 15% commission rate and a 12% government tax rate, the effective commission rises to 16.8% of pre-tax room revenue, even though the advertised percentage stays the same. On a $100 room rate, the commission moves from $15.00 to $16.80 once the $12.00 tax joins the calculation base.

CHTA's Position and Next Steps
CHTA is asking Booking.com to:

- Reconsider the application of commission to government-imposed taxes such as VAT and GST, which hotels collect on behalf of governments and remit in full
- Extend to Caribbean hotels the comparable treatment reflected in its published terms for other markets
- Engage constructively with Caribbean hospitality stakeholders toward a fair and equitable resolution, including greater transparency on how the policy is applied across markets and accommodation providers

CHTA is reviewing existing legal and tax frameworks across Caribbean jurisdictions and evaluating potential legislative protections for governments to consider where appropriate. The association continues to work with national hotel and tourism associations across the region as this review advances.

“The Caribbean has been a committed and contributing partner in Booking.com’s regional growth,” said Vanessa Ledesma, CEO of CHTA. “It is because of that partnership that we are asking Booking.com to reconsider this policy and to work with Caribbean hospitality stakeholders toward a fair and equitable resolution. Hotels of every size, and the communities they support, depend on a distribution landscape built for long-term sustainability.”

For more information on CHTA, visit www.CaribbeanHotelandTourism.com.

###

About the Caribbean Hotel and Tourism Association (CHTA)

The Caribbean Hotel and Tourism Association (CHTA) is the leading voice of the Caribbean hospitality and tourism private sector. For more than 60 years, CHTA has brought together national hotel and tourism associations, hotels, resorts and other accommodations, and allied businesses across the region. Through the collective strength of this regional network, CHTA represents the industry's interests, connects businesses and partners, and delivers the insights, resources and opportunities members need to navigate challenges, make informed decisions and grow their businesses. From advocacy and business intelligence to people development, sustainability, emerging technologies and market opportunities, CHTA helps members address the issues that matter most to their businesses while strengthening the Caribbean hospitality and tourism industry.