

# ACCE PRINCIPLES OF SHORT TERM HOUSING RENTAL REGULATIONS

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Short-term housing rentals ~~are becoming~~ **has become** an important component of the travel and tourism economy in many communities throughout the country. ~~Recently~~ Some jurisdictions have passed – or are considering the passage of – onerous and burdensome regulations for short-term rentals, severely threatening this important ~~new~~ **evolving** industry. As advances in technology have allowed owners, managers, and hosts to more easily connect with travelers and local residents looking for alternative accommodations, short-term rentals have grown in popularity. Short-term rentals provide a flexible housing option that allows travelers, **traveling employees seeking short durations** and local residents to spend longer periods of time in communities, in turn increasing their contributions to local small businesses. As such, municipalities should embrace this economic opportunity by working with industry stakeholders to establish a reasonable framework for regulating short-term rental activity so that all may benefit. Successful short-term regulation allows for municipalities to easily identify and contact a short-term rental owner, make the tax collection and remittance obligations clear and reasonable, and ensure that short-term rentals remain an option for travelers and local residents. Furthermore, the most successful regulations balance the needs of long-term residents and the community as a whole.

## Guiding Principles of Short-Term Housing Rental Regulations

**In keeping with one of our core principles of federalism, we respectfully urge state government to respect the unique circumstances that various communities face in applying zoning and planning ordinances and certain regulatory issues related to tourism and commerce. ACCE does not support onerous regulations but respects that certain conditions may require local ordinances for public safety, health and welfare. To this end certain conditions as to location and use of these facilities may be imposed but should where possible grandfather existing properties that offer these type of accommodations**

- Short term rentals fall under residential activity, considered under the same or similar guidelines and laws as those governing long term residential properties for purposes of zoning.
- No additional laws or ordinances are necessary for dealing with neighborhood or nuisance issues. Existing laws and ordinances should be equivalent to and equal in application and enforcement as to full time residential properties.
- Tax collection and remittance is ~~not the responsibility of the platform or intermediary~~ **now is offered by many platforms or agencies**, in these cases taxes collected are submitted to the appropriate local, county or **state tax divisions and should be in line with other commercial rental services that provide short term accommodations** through which a short-term rental is located by a traveler or through which a reservation or payment is made. **If these short-term rentals are not associated with a platform or service which offers this service, then** tax collection and remittance is the responsibility of the rental owner. **A process should also be in place to provide audits to assure the rental owners are in compliance with statutory requirements.**

In cases where the registration of short-term rentals is desirable

- and includes the payment of an administrative or licensing fee. Fees should be minimal and limited to the cost of administration.
- Any short-term rental regulations should recognize the value of short-term rentals in providing flexible housing stock and legalize and formalize short-term rentals as a unique and valuable alternative for travelers.
- Short-term rental policies should be developed through an open and transparent dialogue among policymakers, industry stakeholders, property owners and the public.

### Some additional definitions

- **Casual or short-term rentals** will apply to a housing unit (full house, camp or condominium or a room in a property primarily used for rental purposes).
- **Casual rentals for fewer than \_\_\_ nights in a year:** This applies to owners who only have one rental unit, like a room or condominium, and rent it out for less than \_ days per year. However, once you place your property in the hands of a real estate agent, or if you pay a property manager any amount of short-term rental management

fees to run your property for you, they must collect and report \_\_\_% tax, regardless of how many days per year the unit is rented out.

- **Occupancy for 28 days or more:** Rent charged to someone who rents continuously for 28 days or more is exempt from this tax if this renter uses the unit as their primary address or is renting it in connection with education or employment.