

City of Alexandria, Virginia
Department of Finance

Short-Term Residential Rental Registry

October 17, 2017





What is Home Sharing?

- “Home sharing” refers to the rental of houses, condos, or apartments to short-term guests.
- Has become a popular way for owners and tenants (“operators”) to earn extra income.
- Typically occur through online home-sharing platforms, such as Airbnb, craigslist, Expedia, FlipKey, HomeAway, TripAdvisor, and VRBO.



Why are we talking about this now?



- A new State law ([§ 15.2-983](#)) enacted in 2017 allows localities to adopt an ordinance to establish a local registry of short-term rental properties.
- Registration is administrative in nature.
- The law does not change any existing tax or zoning requirements, condo or lease provisions, homeowner association restrictions, or other agreements or rules.



Background

- Key taxes pertinent to Home Sharing:
 - **State and Local Sales Taxes** totaling 6%
 - **Regional and Local Transient Lodging Taxes** of 8.5% plus \$1 per room per night must be collected and remitted to the City *for any rental that can lodge four or more persons at any one time*
 - Staff is considering a proposal to City Council to amend the ordinance by removing the “four or more persons” reference. This would promote equity between short-term rentals of various sizes.
 - **Business, Professional and Occupational License (BPOL)**~ if gross revenue is greater than \$10,000 annually, and host rents more than four separate dwelling units (each having cooking facilities).
 - A BPOL license is only required if they meet these two conditions.

Background



- Nationwide, many localities are working to ensure that all taxes are assessed and collected fairly.
- This starts with identifying home sharing properties. Estimates of the number of short-term rental properties in Alexandria vary widely.
- The City plans to implement a program to collect home-sharing transient occupancy taxes.