

Short Term Rentals – Frequently Asked Questions:

These FAQ's offer general guidance to some of the most common questions we've received about short term rentals. They are not a substitute for the adopted Chapter 18: *Minimum Housing* ordinance.

What is a short term rental?

- *Short term rental (STR)* is a dwelling unit that is:
 - Rented to guests for more than 14 days during any rolling 12-month period;
 - Rented less than thirty (30) consecutive days per guest; and,
 - Is subject to the Vermont rooms and meals tax.
- An STR may be either:
 - (a) *Partial Unit*, meaning a room(s), at least 70 sq.ft. in size, located within a host's primary residence that is used primarily for sleeping purposes by occupants, or
 - (b) *Whole Unit*, meaning an entire dwelling unit.
- In most cases, an STR must be "on-site," meaning it is within a host's primary residence, or is in a dwelling unit on the same lot or in the same building as the host's primary residence. In very limited circumstances, a host may have an "off-site" STR (see below), meaning the STR is not located on the same lot or in the same building as the host's primary residence.

When do the short term rental rules come into effect?

- The short term rental standards contained in Chapter 18 are effective as of August 3, 2022.

Where can I find the applicable city rules?

- Chapter 18: Housing can be found online at www.codepublishing.com/VT/Burlington Scroll on the left-side menu bar to Chapter 18. Chapter 18 contains standard for all short and long term rentals.

Do I need to live at the property where I host a short term rental?

- In most cases, yes. Exceptions are seasonal homes and buildings with affordable housing units above what is otherwise required.

What do I need to do to operate a short term rental?

- Register your short term rental with the city's housing division by September 1, 2022 and then by April 1 of every year thereafter. Registration is done online at: burlingtonvt.viewpointcloud.com/categories/1085
- Remit taxes due on a monthly basis. See additional info below under "What taxes are collected for short term rentals?"
- If you are building something, zoning and trades permits are likely needed for the construction. Permits can be applied for online at: burlingtonvt.viewpointcloud.com/projectTemplate/13

Where are, and what type of, short term rentals allowed?

- Short term rentals are allowed anywhere that residential uses are allowed.
- In most cases, a host can only register 1 short term rental. A host may not use multiple corporations or other entities to register more than 1 short term rental.

- A property owner or tenant may short term rent their own primary residence.
OR
- A property owner may short term rent a dwelling unit other than their primary residence in buildings or lots with less than five (5) dwelling units.
OR
- A property owner may short term rent a dwelling unit that is not within the same building or lot as their primary residence only if:
 - The dwelling unit is indicated as a seasonal home by the Burlington Assessor; or
 - The dwelling unit is within a building with two (2) or more dwelling units and the host rents another dwelling unit within the same building or lot, in excess of any applicable required Inclusionary Units, that meets the affordability criteria of Article 9, Inclusionary Zoning, of the Comprehensive Development Ordinance or is rented to a tenant receiving Federal or State rental assistance.

What about minimum life safety standards?

- Short term rentals need to be safe to occupy, and specific standards for STR's are contained in Chapter 18, Article III, Minimum Standards.
- The Vermont Dept. of Public Safety, Division of Fire Safety also has applicable life safety standards online at: firesafety.vermont.gov/document/short-term-rental-health-and-safety

If I have a zoning permit for my short term rental (i.e. “Bed & Breakfast” or “Hotel/Motel”), is there anything else I need to do to continue to operate my short term rental?

- If you already have a zoning permit for your short term rental, you may continue to operate your short term rental as permitted so long as the use is not discontinued for more than a year. You will need to register annually with the city's housing division as noted above. Inspections are required for whole unit STR's but not for partial unit STR's.

What taxes are collected for short term rentals?

- The City of Burlington collects a 9% gross receipts tax on revenue earned from short term rental activity.
- The State of Vermont collects a 9% tax on revenue earned from short-term rental activity.
- Hosts are responsible for remitting taxes due.
 - Hosts need to set up a gross receipts account with the City and submit monthly returns. AirBnB has historically remitted taxes on behalf of hosts on their platform; however, they have not yet adjusted to the 9% rate.

- The application to set up a gross receipts account is at the following link: <https://www.burlingtonvt.gov/sites/default/files/Updated%20Gross%20Receipt%20Application.pdf>
- The City Clerk & Treasurer's Office has a gross receipts website which has the blank returns and a copy of the tax ordinance: <https://www.burlingtonvt.gov/CT/Gross-Receipts-Tax>

How will the short term rental regulations be enforced?

- Enforcement measures are contained in Chapter 18: Housing.
- Enforcement includes, but is not limited to, housing orders (if not registered or inspected), municipal ticket fines, and court actions to require cessation of the use.
- The city will partner with a third party service provider to track all short term rentals within the city.

What if I operate a short term rental that is not allowed by the short term rental regulations?

- Any new STRs established after August 3, 2022 must comply with all adopted regulations.
- STRs in operation before August 3, 2022 that do not comply with the adopted regulations may continue to operate until May 31, 2023, provided that the host:
 - Registers the STR and pays any registration fee by September 1, 2022;
 - Demonstrates to the satisfaction of the Department of Permitting and Inspections that future guest reservations were made prior to August 3, 2022; and
 - May only register and continue to operate one (1) noncompliant STR.

How can I connect with city staff with questions?

- Call the Housing Division at 802-863-0442
- Personnel contact information is at www.burlingtonvt.gov/DPI/Personnel