## **Short-Term Rental Permits FAQ's**

### What is a short-term rental permit?

This permit allows the applicant to rent a residential unit or part of a residential unit on a short-term basis. A short-term basis is 30 days or less to the same person. A renter who signs a contract or lease for more than 30 consecutive days is not considered short-term and this permit would not apply. (City Code 5.114)

#### Who needs a short-term rental permit?

Anyone who rents out a room(s) in their house or their whole house on a short-term basis, and does not have a conditional use permit from Planning, needs to obtain a short-term rental permit.

## What is the cost of a short-term rental permit?

A new permit is \$125 and a renewal is \$90.

## Do I need a conditional use permit from Planning?

You need a conditional use permit if you are renting out a house on a short-term basis that is: 1) not your primary residence <u>and</u>; 2) you do so for more than 90 days total per calendar year. Contact Planning at <u>planning@cityofsacramento.org</u> for more information.

## If the house is my primary residence, do I need a conditional use permit from Planning?

No. You can rent out all or part of your primary residence as much as you want within the guidelines of the short-term rental permit.

#### What is required for a short-term rental permit?

Here are the requirements per City Code 5.114:

- Business Operation Tax Account, categorized as a hotel (no home occupation permit required)
- Collect and remit to the City Transient Occupancy Tax
- Rent to no more than six people at any one time
- Adhere to the Rental Housing Program Standards
- Make sure your renters are aware of and follow applicable City parking regulations and the noise ordinance

#### Why is a business operation tax as a hotel required?

A hotel is defined as a structure or any portion of a structure which is intended for occupancy on a transient basis. In this case a transient basis refers to occupancy of 30 consecutive days or less. (City Code 3.28.020 and 3.08.200)

#### What is Transient Occupancy Tax?

Transient Occupancy Tax is a tax imposed on any person who stays in a hotel for a period of 30 consecutive days or less. No tax is imposed on day 31. (City Code 3.28)

## What is the City's Transient Occupancy Tax rate?

The City's transient occupancy tax rate is 12%.

# How long is the short-term rental permit good for?

The short-term rental permit is an annual permit and must be renewed each year.