

Short-Term Rental Laws in Major U.S. Cities (Updated 2/5/2020)



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COMMENTS  18

This article was updated on Feb. 5, 2020 to include short-term rental laws in Austin.

Since Airbnb's launch back in 2008, the short-term home-sharing model has flipped the hospitality industry on its head. Travel industry experts [Skift](#) estimated that the global short-term rental market would reach a market valuation of \$169 billion through 2018. Airbnb is one of the most-anticipated upcoming IPOs in 2020.

But the short-term rental industry is not without controversy. Hanging in the balance is the ever-present question: Whether to regulate it more strictly to preserve local culture and keep

local residents from being priced out, or allow it to thrive and reap the benefits of booming tourism?

City after city, restrictions on short-term rentals pop up across the country, to keep its rapid growth in healthy check. These laws are very local in nature and vary from state to state, even town to town. Here is a summary of short-term rental restrictions in major U.S. cities:

COMPARED:

Short-Term Rental Laws Across the Country



City	Summary	Take Effect	Fine	STR License Fee	Additional Cost
New York	<ol style="list-style-type: none"> 1. Can't rent out entire apartment (hosts must be present) 2. Can't advertise an apartment 3. Up to 2 paying guests 	May 2011	\$1,000 - \$7,500 (illegal advertising of apartments)	N/A	<ol style="list-style-type: none"> 1. Sales and use tax 2. Hotel room occupancy tax
San Francisco	<ol style="list-style-type: none"> 1. Must register as a business and as a short-term rental 2. Hosts must be permanent residents 3. Up to 90 nights a year without hosts 4. No income-restricted affordable housing 	Feb. 2015	≥ \$484 (per day)	\$250	<ol style="list-style-type: none"> 1. Transient occupancy tax 2. Business personal property tax
Los Angeles	<ol style="list-style-type: none"> 1. Must obtain licenses 2. Must be primary residence 3. Up to 120 days a year 	July 2019	≥ \$500 (per day)	\$89	Transient occupancy tax
Washington DC	<ol style="list-style-type: none"> 1. Must obtain license, additional "vacation rental" endorsement for renting out an entire unit 2. Must be primary residence 3. Up to 90 nights a year without hosts 	Oct 2019	\$500 - \$6,000 (per violation)	TBD	Transient lodging tax
Chicago	<ol style="list-style-type: none"> 1. Short-term rental platforms must obtain license 2. Hosts with 1 home-share unit register through the rental platform 3. Hosts with ≥ 1 home-share unit must obtain license from city of Chicago 4. Vacation rental must obtain license 	March 2017 (host registration)	\$1,500 - \$3,000 (per day)	\$0 - \$250	Hotel accommodation tax
Boston	<ol style="list-style-type: none"> 1. Must obtain license 2. Must be primary residence or an secondary unit at their primary residence 3. No income-restricted units 	Jan. 2019	\$100 - \$300 (per day)	\$25 - \$200	Same tax as hotel
Seattle	<ol style="list-style-type: none"> 1. Short-term rental platforms must obtain license 2. Hosts must register as a business and as a short-term rental 3. Up to 2 units 4. If operate 2 units, one must be primary residence 	Sep. 2019	\$500 - \$1,000 (per violation)	\$75	<ol style="list-style-type: none"> 1. Retail sales tax 2. Lodging tax 3. Business and occupation tax

Data source: Municipal Codes



Quick links to short-term rental laws in each city:

- **Northeast:**
 - [New York City](#)
 - [Jersey City](#)
 - [Washington DC](#)
 - [Boston](#)
- **Northern California:**
 - [San Francisco](#)
 - [San Jose](#)
 - [Mountain View](#)
 - [Redwood City](#)
 - [Sunnyvale](#)
 - [Oakland](#)
 - [Berkeley](#)
 - [Emeryville](#)
 - [Millbrae](#)
- **Southern California:**
 - [Los Angeles](#)
 - [Santa Monica](#)
- **Southwest:**
 - [Las Vegas](#)
 - [Austin](#)
- **Midwest:**
 - [Chicago](#)
 - [Denver](#)
- **Northwest:**
 - [Seattle](#)
- **Florida:**
 - [Miami](#)
 - [Miami Beach](#)
- **Hawaii**
 - [Honolulu](#)

[New York City](#)

New York City, the biggest tourism magnet in the world, has some of the strictest [short-term rental laws](#). Back in 2011, even before Airbnb's widespread popularity, the [New York State](#)

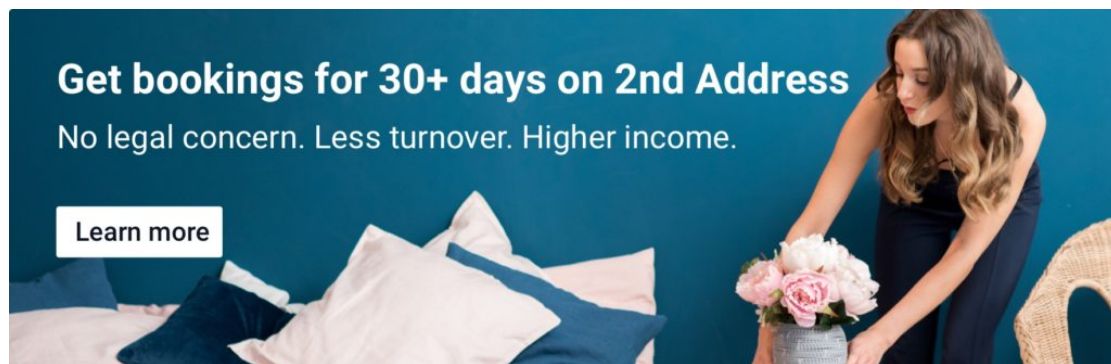
[Multiple Dwelling Law](#) made it illegal in most apartment buildings for an apartment to be rented out for less than 30 days, unless the permanent tenant is present at the same time.

In fact, even advertising such a rental is illegal, as mandated by the [state law](#). Illegal advertising of apartments—defined as a building with three or more units—on is subject to fines up to \$7,500.

Technically this rule doesn't apply to single-family homes—which, granted, are few and far between in New York.

Airbnb hosts can rent out a spare room in their apartments as long as they are also living at home. But there's a catch: They can't install any locks at home because guests need to have free access to all rooms.

Last year, the New York City Council went a step further in cracking down short-term rentals by introducing a [bill](#), requiring Airbnb and other home-sharing sites to disclose details about their listings, and the identities and addresses of their hosts every month. The bill was recently [blocked by a federal judge](#) in January 2019.



[San Francisco](#)

San Francisco, where Airbnb's headquarter is located, was among the first cities to regulate short-term rentals. As early as 2014, the city imposed a limitation on the number of days a property can be rented out for short stays.

Starting from 2015, hosts were required to register as both a business and as a short-term rental, according to the city's [Office of Short Term Rentals](#) legal battle between Airbnb and the city that stretched for over a year, before both parties finally [settled in court](#) in May 2017. As a result, the number of [Airbnb listings plunged](#) overnight last January, upon the final deadline to ditch unregistered hosts.

Today, San Francisco maintains a list of all registered hosts, who report every quarter on occupancy. If they want to rent out the entire property, they can only do so for up to 90 nights a year. They can rent out a spare room for an unlimited number of nights as long as they are also staying at the property.

Certain [types of housing](#) are off-limits for such rentals, which include Income-restricted affordable housing and student housing. Unique homes that add the most fun to vacation rentals—such as treehouses, teepees, and RVs—are also not permitted. Despite the regulation, a search for San Francisco treehouse on Airbnb yields some results.

Los Angeles

After a three-year-long debate in Los Angeles, short-term rental rules were [passed in last December](#). Effective July 2019, property owners can only rent out their primary residence, not a second home or investment property for stays of fewer than 30 days, according to the [city ordinance](#). Violation is subject to a daily fine of at least \$500.

Hosts must register with the city, pay hotel taxes, and keep records for city inspection. They can legally rent out for short stays for no more than 120 days a year. Exceeding the limit will result in a daily fine of at least \$2,000.

If a property is rent-controlled, it can't operate as a short-term rental at all.

Washington DC

The nation's capital recently joined the list of cities that enact strict Airbnb regulations. Starting from October 2019, property owners in Washington DC can only rent out one home—their primary residence—according to [a city regulation act](#).

To legally operate short-term rental, all hosts must register with the city. For those who wish to rent out an entire property, they must obtain an additional "vacation rental" endorsement. The maximum nights they can rent out an entire property is 90 nights a year.

Fines vary, but start at \$500 and can go up to as much as \$6,000 for a repeat offense.

Chicago

Three years after Chicago enacted its short-term rental regulation, it requires a license for short-term rental platforms as well as hosts.

The [city ordinance](#) classifies short-term rental platforms into two categories: 1) “Short-term rental intermediary” refers to platforms that primarily list shared housing units, like Airbnb; 2) “advertising platform” refers to sites that primarily list vacation rental or bed and breakfast, such as VRBO and HomeAway.

Hosts on Airbnb who only has one listing can register with the platform, which then collects data of all hosts and submits them to the city. Hosts on Airbnb with more than one listings need to obtain a license directly from the city for a fee of \$250.

A city license is also required for VRBO and HomeAway hosts or vacation rental owners who operate offline.

All hosts are required to provide soap, clean linen, sanitized utensils, and other living necessities.

Chicago imposes steep fines against illegal short-term rentals, from \$1,500 to \$3,000 per day.

[Boston](#)

Starting January 2019, the city of Boston opened registration from hosts who want to rent out their properties for fewer than 28 nights, after a city [ordinance](#) was passed last June.

Hosts who want to rent out a spare room while living under the same roof can apply for a license for \$25 per year. Those who want to rent out an entire unit can only do so for their primary residence or a secondary unit (such as an in-law unit) in their primary residence. The license fee for renting an entire unit is \$200.

Hosts who fail to register face a \$100 fine per violation per day. Those who rent out units that are ineligible, like a below-market-rate unit, face \$300 fine per violation per day.

Under [a new state law](#) signed last December, short-term rental hosts will have to pay the same 5.7 percent state tax as hotels.

Airbnb had been battling with Boston in court over the short-term regulations in the past year.

Latest update on 08/29/2019:

Airbnb and the city of Boston finally reached [a settlement](#). By December 1, 2019, all short-term rental listings will be required to display a city-formatted registration number, or the listings will be removed. Airbnb also agreed to share data about listings with the city, including the listing's URL, registration number, host ID, information, and zip code.

Previous updates:

In May 2019, just four months after the new law took effect, a federal judge [temporarily blocked Boston from imposing parts of the ordinance](#). The judge declared that the city can't ban a short-term rental service because it posted listings in violation of the ordinance. He also concluded that the city couldn't force Airbnb to report how many days a week rental units are occupied.

Seattle

In Seattle, both short-term rental platforms and individual hosts need to obtain licenses from the city. Platforms like Airbnb and VRBO are obligated to report all licensed operators and their listed units every month, according to the [city code](#).

A host must apply for both a business license and a short-term rental license.

With a valid license, a host may rent out up to two units as short-term rentals. If the host has two units, one must be his or her primary residence. Violations are subject to \$500 fine for the first offense and \$1,000 for a repeat offense.

Short-term rental hosts must pay retail sales tax and applicable lodging taxes on the rental charges. They also owe business and occupation (B&O) tax, but could qualify for the small business B&O tax credit, according to the [Washington state department of revenue](#).

Latest update on 10/18/2019:

The online [application portal](#) for short-term rental licenses is now open, after delays due to technical difficulties. Enforcement of short-term rental regulations—including the issuance of penalties—will begin on Dec. 15, 2019, [according to the city](#).

Denver

In Denver, the rules for short-term rentals were established by the Denver City Council in 2016. According to the [ordinance](#), property owners can rent out individual rooms or garage apartments on quiet residential blocks for less than 30 days. The homes can be rented out when the owner is away, but it must be the owner's primary residence. Short-term rental hosts pay the [Denver Lodger's tax](#) of 10.75% of the entire amount charged for the lodging.

To legally do so, property hosts need to apply for a license from the city, which costs \$25 dollars, as of January 1, 2017. If the city has reason to believe the rental property is not the owner's main residence, it launches investigations into the situation. The enforcement action can range from warnings to fines to felony charges.

Latest update on 09/04/2019:

The [Denver Post reported](#) that the city now asks license holders suspected of cheating to sign affidavits—the only city in the country to do so. As a result, hundreds of property owners are shutting down short-term rentals to avoid legal implications.

Miami

The tourist-dense Miami is another battleground between Airbnb and strict short-term rental regulations. According to the [Miami-Dade County Code of Ordinances](#), a vacation home must live in the same unit for more than six months a year.

The maximum overnight occupancy for vacation rentals is up to a maximum of 2 persons per bedroom, plus 2 additional persons per property, up to a maximum of 12 persons.

The unit must be [licensed](#) by the State of Florida, including registration with the Florida Department of Revenue for tax purposes. The unit has to pass a property inspection to get the license as a vacation rental, which is valid for one year.

Fines for violation is \$100 for the first offense, \$1,000 for the second, and \$2,500 for the third.

Miami Beach

The city of Miami Beach enforced even [stricter regulations](#) on short-term rentals. Rentals for less than six months and one day are prohibited in the city unless the property is in a legally permissible zone, such as most of tourist-dense South Beach.

Miami Beach has the most expensive fines in the country for illegal short-term rentals. The rule was first instituted in March 2016. There's an escalating fine structure: \$20,000 for the first violation, \$40,000 for the second, \$60,000 for the third, \$80,000 for the fourth, with a max of \$100,000 for each offense after.

Latest update on 10/08/2019:

On October 7th, A Miami-Dade circuit judge struck down the city's law that fines homeowners \$20,000 for illegally renting their places short term on sites such as Airbnb, [reported by the Miami Herald](#).

Despite the ruling, the city's spokeswoman, Melissa Berthier, said the fines are still in effect and that the city's code enforcement would continue to enforce the ordinances.

Santa Monica

Santa Monica passed its first home-sharing ordinance in 2015. According to [city regulation](#), Santa Monica allows residents to rent out rooms in their homes for a period of 30 days or less. Renting out an entire home remains illegal.

In 2016, Airbnb and HomeAway [filed a lawsuit](#) against the city to stop the home-sharing ordinance from taking effect, but in 2018 the U.S. District Court for the Central District of California ruled in favor of Santa Monica on the issue.

Anyone operating a home-share must apply for a City business license and pay business tax. Another 14% of the transit occupancy tax also applies, which is paid by the guest.

Latest update on 12/10/2019:

The City signed a major settlement agreement Tuesday with Airbnb that is expected to "dramatically reduce" illegal listings. In addition to restricting listings to no more than two per residence, the agreement requires Airbnb to include a City license number on each listing and pay \$2 for every night booked.

Previous update on 09/24/2019:

The Santa Monica City Council voted to revise the [short-term rental ordinance amendments](#), which will take effect on October 24, 2019. The new law continues to allow home-sharing, but requires that eligible residents obtain both a home-share permit in addition to the home-share business license that was already required. The initial home-sharing permit application cost will be \$100, and the annual renewal fee will be \$50. The City is in the process of revising its administrative rules and regulations.

Jersey City

Across the river from Manhattan, Jersey City [passed its short-term rental ordinance in June 2019](#), after nearly nine hours of public comment and council discussion. The new law will take effect on Jan. 1, 2020.

The new law will ban Airbnb and other short-term rentals in buildings with more than four units and phase out existing short-term rental contracts by Jan. 1, 2021.

Meanwhile, owners of buildings with four or fewer units will be permitted to rent out up to two of them. Short-term rentals in condominiums will be allowed the local board permits it.

The ordinance institutes an annual 60-day cap for short-term rental properties if the owner is not on site.

To operate a short-term rental under the ordinance, the host has to be the property owner—the new provision bars renters from operating short-term rentals. All hosts will be required to obtain a permit, which must be renewed annually.

Latest update on 11/5/2019:

Jersey City residents overwhelmingly approved the short-term rental law, with 86 percent of voters in favor of the new law.

Previous updates:

City Clerk Robert Byrne on Aug. 7 certified a referendum petition submitted by opponents of the ordinance, giving the council a chance to repeal the law. Now, the future of the ordinance will be decided by voters on Nov. 5.

San Jose

San Jose started regulation short-term rentals as early as December 2014, when the [city ordinance](#) was introduced. To be eligible to operate a short-term rental, the host has to establish primary residence by living in the property for at least 60 consecutive days a year.

For hosts that meet the criteria above, there are some limitations to operating a short-term rental. If the host is not present, bookings are capped at 180 days a year. The maximum number of guests is 2 per studio, 3 per one-bedroom unit, and 2 per bedroom for larger units, up to an absolute max of 10 guests.

If the host is present, there's no cap on the number of nights the place can be rented out per year. And the host can have up to 3 guests in single-family homes or 2 guests in multifamily dwellings.

A 10% transient occupancy tax is collected for all short-term rental bookings.

Mountain View

Despite the lack of tourism in Silicon Valley, Mountain View has seen a high demand for short-term rentals as businessmen and interns flock in town because of Google. [Short-term rental laws](#) were established in Mountain View in December 2018 to fight some of the nation's highest rents.

Starting from September 1, 2019, hosts need to obtain a business license and submit a short-term rental registration application, which [costs](#) between \$41.25 and \$165 a year. Fine for operating without a registration starts from the second offense at \$500.

If hosts want to rent out the entire property, they can only do so for up to 60 nights a year. They can rent out a spare room for an unlimited number of nights as long as they are also staying at the property.

No special events—weddings, parties, corporate gatherings, etc—are allowed at the short-term rental property.

A 10% transient occupancy tax applies to all short-term bookings.

Sunnyvale

Located 10 miles north of San Jose, Sunnyvale adopted the strongest [short-term laws](#) in Silicon Valley, in an effort to protect the city's affordable housing.

The ordinance only allows short-term rentals if the host has a permit from the city and also lives in the same property. A maximum of 4 occupants per night at any given single-family dwelling. In addition, a 12.5% transient occupancy tax is collected for all bookings.

Oakland

Across the bay from San Francisco, Oakland has even stricter laws that ban short-term rentals in most zones. The only exceptions are designated zones in downtown, along the waterfront, near the airport, along the I-880 freeway, and in Specific Plan areas.

In those permitted areas, a Conditional Use Permit is required to operate short-term rentals. A 14% Transient Occupancy Taxes applies to all short-term rental bookings.

Berkeley

In Berkeley, short-term rental law regulates temporary stays that are less than 14 days. Short-term rentals are only permitted in certain zones (see [city website](#) for the detailed list).

Short-term rental hosts have to prove that they are the primary resident and provide liability insurance of \$1,000,000 for guests. The ordinance institutes an annual 60-day cap for short-term rental properties if the owner is not on site.

Hosts are required to register with the city and obtain a zoning certificate (\$220 application fee), collect a 12% transient occupancy tax, and pay an additional 2% enforcement fee.

Emeryville

Short term rentals are only allowed in single-family homes, according to [Emeryville city ordinance](#). Only primary residences are eligible for short term rentals. The ordinance also institutes an annual 90-day cap for short-term rental properties if the owner is not on site.

Hosts are required to obtain a short term rental permit from the Planning Division and collect 14% transient occupancy tax.

Redwood City

Short term rentals in Redwood City are only allowed in primary residences, according to [the city website](#). There's an annual cap of 120 days per year for short-term rentals if the owner is not on site. There are no annual limits for hosted rentals.

A local contact person is required and hosts must register, obtain a business license, and collect a 12% transient occupancy tax. Special events—weddings and corporate retreats—are prohibited.

Millbrae

Home to the San Francisco International Airport, Millbrae is the major transportation hub in the Bay Area. Hosts who operate short-term rentals in Millbrae must be the primary resident, by proving that they live in the property for at least 265 nights a year.

There's an annual cap of 100 days of booking per year for short-term rentals if the owner is not on-site, according to the [ordinance](#). There are no annual limits for hosted rentals.

Violation of the law results in a fine of up to \$1,000 per violation per day.

Honolulu

In June 2019, Honolulu City Council, which governs the entire island of Oahu, passed [Bill 89](#) to regulate short-term rentals. Under the new law, renting out an entire home without host presence is only allowed in the resort and certain apartment-zoned districts. Follow this [link](#) to see maps of designated zones.

But the law opened up new registration for hosted rentals, so-called “bed and breakfast homes”, of up to 1,715. The application process is not set to begin until October 2020.

The law also requires short-term rental owners to obtain a permit from the City and County of Honolulu and include the permit number on any advertisement.

The new ordinance outlines strong penalties for running illegal short-term rentals. Fines start at \$1,000 for an initial violation and escalate to \$5,000 a day for ongoing noncompliance, and up to \$10,000 per day. The law also allows the city to confiscate rental earnings.

Las Vegas

It's not a big surprise that Las Vegas, where the city's livelihood depends on the hotel industry, enforces some of the country's most strict Airbnb laws. Historically, the whole Southern Nevada has prohibited short-term rentals.

Last year, the city of Las Vegas passed an ordinance that allows some homes to be rented out for less than 31 days, but with many limitations. Only property owners are eligible to operate a short-term rental, and they have to be present while the property is being rented out.

The law also maintains strict property eligibility criteria. A property has to be at least 660 feet from any other short-term residential rental, can't have more than 3 bedrooms, and can't be located in master-planned areas such as Summerlin and Symphony Park.

In order to obtain a [short-term rental license](#), the property owner has to provide proof of liability insurance coverage with a \$500,000 minimum amount.

With a valid license, the host can't host more than two persons per bedroom.

Austin

As early as August 2012, the Austin City Council passed an ordinance requiring a license to operate an STR. The ordinance was amended in September 2013 and then again in [February 2016](#).

The city categorizes 3 types of STR:

1. Type 1: Owner-Occupied (single-family, multifamily or duplex)
2. Type 2: Not Owner-Occupied (single-family or duplex)
3. Type 3: Not Owner-Occupied (multifamily)

Under the most recent ordinance, Type 2 short-term rentals will be eliminated rentals in residential areas by 2022, though they could continue to be built in commercial areas.

The ordinance prohibits unlicensed short-term rentals from advertising. Violators could be subject to fines up to \$2,000 per day.

Latest update on 11/21/2019:

A state appeals court has declared some elements of Austin's rules governing short-term rentals unconstitutional.

The court ruled to allow Type 2 in residential areas, and also to void the following regulations regarding STR:

- No more than two adults per bedroom plus two additional adults between 10 p.m. and 7 a.m.
- A rental can't be used for a gathering between 10 p.m. and 7 a.m.
- A rental cannot be used for an outside gathering of more than six adults between 7 a.m. and 10 p.m.
- A rental cannot be used by more than ten adults at one time or more than six unrelated adults.

TAGS • SHORT TERM RENTAL LAW



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18 COMMENTS ON "SHORT-TERM RENTAL LAWS IN MAJOR U.S. CITIES (UPDATED 2/5/2020)"



alfonzo mourning

September 6, 2019

I'm not an attorney, yet it feels like fundamental constitutional rights have been trampled under some of these municipal ordinances created to regulate short-term residential rentals.

The regulations passed by the City of Los Angeles now going into effect can almost be heard calling out for someone to challenge their legality in the courts. No group of more than 8 adults allowed outdoors at night at a short-term rental property.

Really? So is this Los Angeles or Saudi Arabia? Is the 4th Amendment void in Los