

Short Term Rentals – Tax Policy Approaches

As of October 19, 2021

Proponent	Seeking a bill?	Proportionate Valuation?	Bright Line for Consideration as an STR?	Assessment Rate Applied?	Other Considerations
Sen. Chris Hansen	Yes	Yes, based on calendar days a single-family residence is used as a residence vs. a lodge	Any residence available for more than 30 days/year as a short term rental	Property owner affidavit # of days/year as a residence = 6.95% (for 2 years pursuant to SB21-293) + # of days/year as a lodge = 29%	Intends to include access to STR platforms
Realtors	Yes	No	Small investor vs. Real Estate Investor (defined as a set number of properties owned – still TBD)	Small investor = 6.95% (for 2 years pursuant to SB21-293) Real Estate Investor = 29%	No common ownership structure will be allowed. Does not matter if the Real Estate Investor owns condos or single family housing – all structures count
Assessors	No	No – urging policy makers to avoid proportionate valuations based on days or square footage	Anything EXCEPT a person’s primary residence (where you’re registered to vote, live more than 275 days a year, etc.)	Primary residence = 6.95% (for 2 years pursuant to SB21-293) Non-primary residence = (29% or 26.4% dependent on Prop 120)	Informing dialog from an implementation standpoint. Assessors do not know where STR properties are so actual implementation should be 1-2 years out.