

## Taxation of Short Term Rentals – What You Should Know



\*the above are protected trademarks\*

### Taxation in Culpeper County, Virginia:

The Culpeper County Board of Supervisors does not currently require registration of short term rental businesses, including those participating with online reservation platforms such as Airbnb, Flipkey, VRBO, HomeAway, etc. However, Culpeper County, Virginia does have a local transient occupancy tax, which *does apply* to these types of businesses. Local business personal property taxes also apply.

The County Code sections regarding County taxation, including the transient occupancy tax, may be found at the below webpage address on the Municode website:

[https://library.municode.com/va/culpeper\\_county/codes/code\\_of\\_ordinances?nodeId=CD\\_ORD\\_CH12\\_TA\\_ARTIXTROCTA](https://library.municode.com/va/culpeper_county/codes/code_of_ordinances?nodeId=CD_ORD_CH12_TA_ARTIXTROCTA)

Please know that online platforms *do not* charge, collect, or remit local transient occupancy taxes on behalf of Culpeper County, but only address state taxes.

Businesses in Culpeper County providing short term lodging **MUST** charge, collect, and remit local transient occupancy taxes to the local Commissioner of the Revenue. Businesses located in the Town of Culpeper must contact the Town of Culpeper for its taxation ordinances and regulations.

### State Taxation:

The Commonwealth of Virginia has provided guidance that all online booking platforms must charge, collect, and remit state sales and use tax, referred to as State Occupancy Tax.

You will often see on the different private short term rental sites language as follows:

*Guests who book listings that are located in Virginia will pay the following (state) taxes as part of their reservation: Sales Tax: 5.30 - 7.00% of the listing price.*

*For detailed information about state taxation on this issue, please visit the website for the Department of Taxation for the Commonwealth of Virginia at:*

<https://www.tax.virginia.gov/retail-sales-and-use-tax>

**More Questions?** Please contact the Office of the Commissioner of the Revenue for Culpeper County, Virginia at (540) 727-3443.