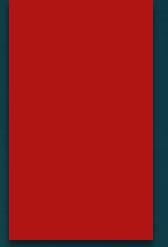




City of Portland Update

PREPARED FOR HOST 2 HOST

Pass Through Registration (PTR)



- ▶ The Purpose
 - ▶ Ensure host compliance with City requirements
 - ▶ Give the City a reliable database of STRs and associated owners/operators.
 - ▶ Simplify registration process for hosts
- ▶ Registration Requirements
 - ▶ Transient Lodging Tax (TL)
 - ▶ Business License Tax (BL)
 - ▶ Short Term Rental Permit

Current PTR Status

- ▶ City continues to work with STR Platforms to determine parameters of Pass Through Registration
- ▶ Agreement in principal on the data that will be shared with the City
- ▶ Revenue has worked to minimize requirements and streamline overall registration process to expedite compliance for unregistered hosts
- ▶ Expectation that large percentage of hosts would forego listing altogether and stop hosting once PTR through platform becomes mandatory for existing and new hosts
- ▶ Revenue does not have a firm date commitment when platforms will initiate pass through registration but the current tentative go-live date is in March 2019.

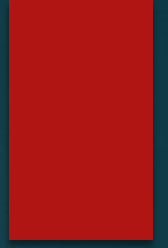
What Would the Process Look Like?

The proposed process remains largely unchanged.

Phase 1 of Process: Regularly, Revenue Division would be provided a data set from Airbnb, HomeAway, VRBO, etc.

Phase 2 of Process: Revenue Division would review locations/hosts not currently registered and issue 'Combined Registration Form' to streamline permitting, Transient Lodging registration, and Business License Tax registration.

What Would the Process Look Like?



- ▶ City's expectation is to have support from platforms in bringing unregistered hosts in compliance
- ▶ Hosts that do not provide data to platform would be removed or not able to list
- ▶ City will follow up with noncompliant hosts and will assess civil penalties if necessary

Current Expectations of Hosts Unchanged

- ▶ Revenue still expects hosts who begin operating to do three things:
 - ▶ Apply and obtain a Type A, Type B, Commercial/Land Use permit
 - ▶ Register with the Transient Lodging Tax program; whether you are required to **report taxes** on a annual/monthly basis is dependent on how you register
 - ▶ Register and report rental income to the Business License Tax program on an annual basis
- ▶ Ordinance Change [Questions?](#)

Step One: Apply and Obtain Permit

- ▶ 1-2 Bedroom Short-Term Rental Locations would fill out a [Type A Application](#)
- ▶ 3-5 Bedroom Locations would apply for a [Type B Permit](#)
- ▶ Bed & Breakfast locations would need to refer to BDS requirements for a commercial use (CU) or land use (LU) permits

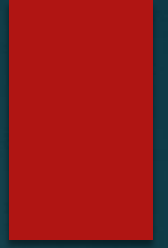
Transient Lodging Registration

- ▶ The next step in the process would be to fill out the Transient Lodging [Registration](#) form
- ▶ Each Short-Term rental operator is required to submit this to Revenue Division in order to be considered in compliance
- ▶ Each host is required to **register** but may not be required to **file**; this is dependent on platforms/method used to book short-term stays

Business License Tax Registration

- ▶ The final step would be to fill out and submit the Business License Tax [Registration](#) form
- ▶ On an annual basis, whether you rent on a Short-Term or Long-Term basis, you are required to report your rental income as well as any other business income to the city on an *annual* basis as part of the Business License Tax program
- ▶ If your **gross** receipts from all business activity, **including rentals and short term rentals** are less than \$50K you will be considered exempt from paying; still an expectation to file each year

Rental Registration



- ▶ New City Requirement for Tax Year 2018
 - ▶ All owners of residential rental property within the City are required to file a Schedule R along with their Business License Tax filing.
 - ▶ This only applies to properties rented OVER 30 Days therefore not Short Term Rentals
- ▶ FAQ page available on website
- ▶ [Form](#)



Questions?