

City of Cincinnati Short Term Rental

General Rules and Regulations
For
Cincinnati Municipal Code Chapters 856 & 315

Effective 11/6/2023

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I. Overview

Effective July 1, 2019, the City of Cincinnati requires short-term rental units in the City of Cincinnati to register and pay a 7% excise tax on gross revenue. Commonly referred to as “Airbnbs,” this document sets forth the rules and regulations for the City’s short-term rental registration and excise tax requirements.

II. General Provisions

A. Authority

1. Cincinnati Municipal Code (CMC) [Chapter 856](#) establishes the requirement of all short term rentals in the City of Cincinnati to register with the City.
2. Cincinnati Municipal Code (CMC) [Chapter 315](#) establishes the excise tax on gross earnings received from a transient guest of less than 30 consecutive days staying at a short-term rental within the City of Cincinnati.

B. Purpose of Rules

The rules and regulations herein are intended to clarify provisions in CMC [Chapter 856](#) and [Chapter 315](#) for the purposes of administration of and compliance with the chapters. The rules and regulations are a supplement to, and not a replacement of, the language contained in CMC [Chapter 856](#) and [Chapter 315](#). All are responsible for understanding and complying with all applicable provisions in the CMC.

C. Designee of City Treasurer

Under CMC [Chapter 856](#) and [Chapter 315](#), the City Treasurer is hereby designated to carry out the administration and enforcement of the provisions of this chapter and is hereby empowered to adopt and promulgate and to enforce rules and regulations relating to any matter or thing pertaining to the administration and enforcement of the provisions of this chapter.

D. Records

1. Public Records.

Any and all tax returns, license applications, information, data, records, or documents provided to the City in connection with the Short-Term Rental program or other programs, including but not limited to any audit, is subject to disclosure under Ohio public records laws as defined by Ohio Revised Code §§ 149.011 and 149.43 and any other applicable laws (“Ohio Public Records Laws”).

2. Records Retention

All records necessary to determine the amount of STR excise tax for which the person may be liable, whether provided to the City or not, must be kept and preserved by the taxpayer for a period of three years. Records shall be made available for inspection at all times.

E. Audit and Investigation

The City may conduct investigations relating to any matter pertaining to the administration and enforcement of the provisions of CMC Sec. 315 – Short Term Rental Excise Tax. Copies of such records shall be provided promptly in response to a written request.

III. Applicability / Definitions

Commonly referred to as “Airbnbs” but not limited to that hosting platform, a short-term rental (STR) is defined by the following attributes:

- Any residential dwelling unit or part thereof;
- Offered or held out to the public for rent on a hosting website, web or mobile application, or other online platform through which short-term rentals are listed, advertised, solicited, or otherwise held out for rent;
- For a duration of occupancy of less than thirty (30) consecutive days.

STRs generally include

- All or a part of a private, residential dwelling unit, such as an apartment, condominium, house, etc.

STRs generally do not include

- Hotels,
- Motels,
- Inns,
- Hostels,
- Congregate Housing, or
- Rooming House

Other Important Terms

- **Hosting Platform** - a person or entity that provides a means through which short-term rentals are offered, listed, advertised, solicited, or otherwise held out for rent.
 - Example: Airbnb, VRBO, Expedia, Company website, Property-specific website, or platform, etc.
- **Operator** - any person who offers a short-term rental or holds a short-term rental out to the public for rental by placing advertisements or solicitations with a hosting platform.

- The operator may also be the owner of the property.
- Responsible Person – a person designated by the operator of a short-term rental as having the duty, responsibility, and authority to operate, maintain, and manage the short-term rental; whose principal residence or principal place of business is located no greater than fifty miles from the short-term rental unit(s).
 - The responsible person may also be the operator and/or owner of the property. This is the person that would take a call and/or show up in the event of a problem at the unit.

IV. Registration

Each STR unit is required to be registered with the City.

A. *Cost*

\$250.00. Must be paid at time of application. Refundable if application is not approved. Fee is non-refundable once application is approved.

B. *Term / Duration*

An approved registration is valid for 3 years.

C. *Transferability*

An STR registration is non-transferrable.

D. *Application*

An application must be approved by the City prior to operation of any STR unit. The application is only available online at the City's website: <https://www.cincinnati-oh.gov/finance/short-term-rental/>. The application requires the following:

- Location and description of STR unit
- Name and contact information of operator and responsible person
- Information on hosting platforms used to rent STR unit
- Certification of compliance with regulations and terms & conditions as listed on application. The City does not require inspections to verify compliance at this time.
- Payment of registration fee
- Filing any past due STR excise tax returns and paying any past due STR excise taxes
- The City will accept applications from an operator that does not control the property yet. However, the City cannot approve an application for an operator without the authority from the property owner. The City will hold any application open for 30 days until legal approval from the owner can be obtained.
- Certain properties may contain multiple units, buildings, or rooms that an STR operator may choose to list both individually and collectively. For example, a two-family apartment building may contain 2 units that can be booked individually by two different transient guests or collectively by the same transient guest. In this case, a registration must be submitted for each individual unit. When individual units are listed collectively, the STR registration numbers for all units should be posted.

E. Approval

The City has 30 days to review and approve or deny an application. Completed applications, including paid registration fee, will be reviewed in the order they are received. The reasons an application could be denied include but are not limited to:

1. The application exceeds the allowable number of short-term rentals allowed in a building. If the building has two or more addresses or entrances in the same parcel, the total number of STRs allowed will be based on the entire number of units, not the number of units tied to a particular address of the building. There is no limitation on the number of dwelling units allowed to operate if the building has four or fewer units. There is one additional STR allowed to operate for every four additional units in the building. (Ex: 24 dwelling units in a building = 9 STR registrations allowed) STR registration applications are processed on a first applied, first approved basis. Time stamps will be utilized for determination purposes. The Department of Buildings & Inspections is consulted to make determinations on the number of dwelling units in a building. The following table is provided as a quick reference for the maximum number of STR registrations allowed based on the number of dwelling units in a building:

Dwelling Units (Up to)	STR Registrations Allowed
5	4
10	5
15	6
19	7
23	8
Please contact Treasury for buildings containing more than 23 dwelling units	

2. The dwelling unit has been described as a nuisance property by the City's Chronic Nuisance Unit, which is defined by three or more written citations or notices of violation in or around the STR in any one year.
3. Delinquent STR excise taxes or tax returns
4. Non-compliance with other STR regulations
5. If any criminal offenses have occurred at the STR.
6. Other violations of Federal, State, or local laws.

F. Required Posting

Once approved, the operator is responsible for posting the following in the STR unit:

1. STR Registration #
2. Short Term Rental Advisory: An advisory should be posted in a conspicuous place in the STR unit with details on emergency evacuation plans and other City requirements and regulations. A template of the Short-Term Rental Advisory is

available on the City's website here: <https://www.cincinnati-oh.gov/finance/short-term-rental/short-term-rental-advisory/>

G. *Renewal*

Approved STR registrations must be renewed within three years from the date of issuance. Renewals should be submitted no earlier than 180 days and no later than 60 days before their expiration date. The application is only available online at the City's website. A link to the renewal application will be emailed to the operator approx. 90 days prior to the registration expiration date.

The renewal fee is \$250.00 and is due when the renewal application is submitted.

Upon approval of renewal application, new Short Term Rental Advisory should be posted in the approved unit. A template of the Short Term Rental Advisory is available on the City's website here: <https://www.cincinnati-oh.gov/finance/short-term-rental/short-term-rental-advisory/>

Late Submission. Any operator that does not submit a renewal application prior to 60 days before their expiration date must submit a new STR registration application.

If an existing registration has been suspended, the City will not accept a renewal application until the prescribed corrective actions are in place and the registration is eligible for reinstatement.

If an existing registration has been revoked, the registration is not eligible for renewal.

V. *Collection & Remittance of Excise Tax*

A. *Rate & Calculation of Tax*

The City levies an excise tax of 7% on all gross earnings received from the operations of a STR regardless of the advertisement or solicitation used. ***Note that this is not an occupancy tax due from the guest, but an excise tax due on operator earnings*** Gross earnings include the following:

- Revenue from unit rental for overnight stay
- Fees including but not limited to service fees, cleaning fees, handling fees, cancellation fees, etc.
- Additional charges
- Commissions

Gross earnings do not include:

- Amounts paid for any other tax
- Refunds of any Admissions but only if the Admissions Tax collected was also refunded

*** STR operators may also be required to file and pay income tax and any other applicable taxes or fees associated with their STR.***

1. Quarterly returns are due from all operators of registered STRs regardless of hosting platform, advertisement, or solicitation used.
2. The operator of a short-term rental is responsible for keeping records showing gross revenues received. These records are to be kept for a period of three years.

B. *Remitting Quarterly Returns*

Quarterly returns are due by the last day of the month following the end of the calendar quarter.

<u>Quarter End Date</u>	<u>Return Due Date</u>
March 31 st	April 30 th
June 30 th	July 31 st
September 30 th	October 31 st
December 31 st	January 31 st

The following information is required to be completed on the return:

1. Address of the STR
2. Registration number of the STR
3. What sites you advertise on
4. The gross revenue for each platform (gross revenue is calculated as the payout amount plus the host fee paid to the platform. Cleaning fees and maintenance fees would be excluded. Any stay for 30 or more consecutive days would be excluded from gross earnings along with any resolution payouts paid or received by the host.
5. Upload documentation to support gross earnings received from each site the operator advertises on.
6. Remit any excise tax due.
 - Any revenue received from Airbnb should be withheld and remitted on the operator's behalf and is ignored when calculating excise tax due on the return. To verify this the operator will need to make sure that the occupancy tax column on the gross earnings report is equal to 7% of the gross earnings column on the gross earnings report. If there is under withholding on any stay, the operator is responsible for difference due.
 - 7% excise tax is due from the gross earnings received from all other stays advertised with any other platform.
7. Have there been any changes to your registration that should be reported to the Treasury Division?
 - For example, operator name / contact information; unit ownership; any change in hosting platforms; status of required certifications, terms, and conditions; etc.

C. *Airbnb Voluntary Withholding Contract*

Effective 10/1/2019 the City of Cincinnati entered into a contract with Airbnb to do voluntary withholding of the excise tax paid and remit the tax quarterly on behalf of the hosts. The tax is paid by the guest when the STR is booked and is not paid by the host.

D. *Special Tax Return Documentation Instructions for Airbnb & Vrbo*

At this time, the largest Hosting Platforms are Airbnb and VRBO. The following are instructions to download documentation on taxable revenues to be submitted as supporting documentation with an STR excise tax return and are specific to each company's software:

1. Instructions for Airbnb .
 - a) To generate the Airbnb Gross Earnings Report, the client would need to log into their Airbnb Host Account, then:
 - b) Across the top (center to right) of the page, they should see the word "host."
 - c) Click on Host and select "hosting dashboard."
 - d) Left click on the profile photo (top right corner) and select "transaction history."
 - e) There are three tabs, "completed payouts, upcoming payouts and gross earnings."
 - f) Click on the "gross earnings tab" until the green line shows.
 - g) Select the dates you want to report, i.e "FROM October 2019 TO October 2019"
 - h) Download to CSV:
 - i) The report should open to a spreadsheet. If not, at the bottom left of the screen, there should be an up arrow with "Airbnb_tax_...", click it to open the report;
 - j) OR the file is automatically saved in your downloads folder, so you can always locate it there.
 - k) If you are using Numbers (for Mac), you will need to export to Excel. To export to Excel, click on File, then "export to" and select Excel, then save to your desktop.
 - l) Print the report in landscape and scale to fit all to one page.
 - m) If information in any of the columns is not visible (shows #####), then open the column by double clicking between columns A and B as well as Columns C and D or D and E.
 - n) Save the report to your desktop for electronic filing, using .XLS, .PDF or .CSV file format.
 - o) *Please note, tax should be reported when the stay occurs (check in date), not when the payment is received (payout date).
 - p) **To Report your Airbnb Gross Earnings, use the total for "Column O - Gross Earnings". Please do not report using "Column K - Amount".
 - q) Registration number of the STR
 - r) What sites you advertise on
2. Instructions for Vrbo
 - a) To generate the proper report for Vrbo, the client would need to log into their Vrbo Owner Account, then:
 - b) Lodging Tax Report:
 - c) Click Reservation Manager.

- d) Click Financial Reporting.
- e) Select the "Stay Tax Report."
- f) Select the Dates.
- g) Select "Stays within this date range."
- h) Click the Download Icon.
- i) The report should open to a spreadsheet, with column S (Your taxes | Local Currency) as the last column.
- j) Save the report to your desktop for electronic filing, using .XLS, .PDF or .CSV file format.
- k) If you are using Numbers (for Mac), you will need to export to Excel. To export to Excel, click on File, then "export to" and select Excel, then save to your desktop.
- l) If you need to print the report, print in Landscape and scale to fit all to one page.
- m) *Please note, TOT should be reported when the stay occurs (check in date), not when the payment is received (payout date).

E. Refunds

A refund of Short-Term Rental payments remitted to the City may be claimed under the following scenarios:

- Refund due to Overpayment of Excise Tax by Operator. In the event of an overpayment of STR Excise Tax, the operator shall provide documentation of the overpayment to the City for review and may request a refund in the following ways:
 - By default, any refunded amounts should be processed as a credit against the operator's next quarterly returns.
 - If no future quarterly return is anticipated or if the operator requests, the City may pay the refund directly to the operator.
- Refund of the STR Application Registration Fee. In the event that the application for registration for the STR is denied, the \$250.00 will be refunded back to the operator.

F. Failure to File & Remit

Interest and penalty will be assessed to all delinquent return filings. The calculations are based on tax due.

1. Delinquency – A penalty of 10% is due on any late payment of excise tax and is due in addition to the excise tax.
2. Fraud – A penalty of 25% of the excise tax due will be assessed if the Treasurer determines that the nonpayment of the excise is due to fraud.
3. Interest – Interest of 1% per month is due on any late payment of excise tax and is due in addition to the excise tax.

VI. Delinquency & Violations

In addition to certain delinquent and other charges and penalties previously mentioned, the list below is intended only as a summary of certain violations of CMC [Chapter 856](#) and [Chapter 315](#). All are responsible for understanding and complying with all applicable provisions in the CMC.

A. Program Violations

The following is a list of certain penalties for violations of the City of Cincinnati's Short Term Rental Program:

CMC Sec.	Description	Fine / Penalty
856-23(b)	Failure to obtain a STR registration prior to holding a short-term rental out for rent	-Class C civil offense - \$300.00 -After notification, each additional day not registered is a Class D civil offense - \$750.00
856-23(c)	Violation of limitations established in 856-15 or 856-17 of CMC	-License suspension or revocation -Class D civil offense - \$750.00
856-23(d)	Failure to post active registration number on all listings and advertisements	-Class A civil offense - \$75.00 - After notification, each additional day not registered is a Class A civil offense - \$75.00
315-99(d)	Failure to comply with any provision of the chapter	-Class C1 civil offense - \$500.00 -This fine can be reduced by 50% if owner/operator proves that the violation has been corrected. -This fine can be reduced by 100% if owner/operator meets the 50% reduction and has not previously received a notice of violation.
315-99(e)	Alternative action for failure to comply with any provision of the chapter	-Can be found guilty of a first-degree misdemeanor. -Guilty decision can result in a fine up to \$500.00, imprisoned for up to six months, or both.

B. Suspension of a STR Registration

The City may suspend a STR if an operator or responsible person fails to comply with conditions of operating a short-term rental as provided in CMC 856. During the period of suspension, an owner/operator may not operate the STR. A \$100.00 reinstatement fee will be assessed once the operator brings the STR back into compliance. If the renewal of a registration is due during the period of suspension, the operator will not be allowed to renew the suspended registration and will be required to apply for a new registration.

C. *Revocation of a STR Registration*

The City may revoke a registration if an operator or responsible person fails to comply with conditions of operating a short-term rental as provided in CMC 856. A revoked registration cannot operate as a short-term rental for a period of 12 months. The revocation is tied to the property, not the owner or operator.

D. *Appeals*

If a notice of STR registration suspension or revocation is issued, the operator has a right to appeal the suspension or revocation within thirty (30) days from the date of the notice pursuant to CMC Section 856-27. All other program violations or violations of the CMC may be appealed as prescribed in the notice of violation. All appeals will be made to the City's Office of Administrative Hearings (OAH) and an additional administrative hearing fee will apply. Failure to appear at a requested hearing will be considered an admission of the civil offense.

In the event an appeal is upheld, the registration will be reinstated without the payment of a reinstatement fee and in compliance with the terms of the hearing administrator.

If the City Treasurer has assessed an estimated amount of STR excise tax due, the Operator has a right to appeal the assessed amount within fifteen (15) days from the date of the notice pursuant to CMC Section 315-19. All appeals will be made to the City's Office of Administrative Hearings (OAH) and an additional administrative hearing fee will apply. Any amount found to be due shall be immediately due and payable upon the service of notice.

All available collection remedies and costs of collection will be pursued in the event any fines, fees, or other charges are not paid timely.

VII. **Contacts & Reference**

A. *Program Administration Contacts*

Main Contact: <https://www.cincinnati-oh.gov/finance/short-term-rental/treasury.license@cincinnati-oh.gov>
513-352-3224

Primary Staff: Paige Apel
Senior Accountant
treasury.license@cincinnati-oh.gov
513-352-3324

Income Tax Division: <https://www.cincinnati-oh.gov/finance/income-taxes/>
513-352-3838 for Individual Accounts
513-352-3847 for Business and Payroll Withholding
tax.webmaster@cincinnati-oh.gov

B. Nuisance & Complaints

To report non-emergency nuisances or request City services, use the City's 311 platform:

- Call 311 while located inside the City.
- Call 513-591-6000 from outside the City
- Visit <https://cagis.hamilton-co.org/311/>
- Use the FixIt Cincy App, available on the [App Store](#) or [Google Play](#)
- Email 311cincy@cincinnati-oh.gov
- Tweet @311cincy