

From: Peterson, Mary [Mary.Peterson@vermont.gov]
Sent: Wednesday, September 07, 2016 4:00 PM
To: mayorlouras@gmail.com; eblackwood@burlingtonvt.gov; mayor@burlingtonvt.gov
CC: Morgan, Candace; Allen, Susan
Subject: FW: Airbnb Agreement/Press Release
Attachments: Press Release-Airbnb-Agreement-v.3.docx

Dear Mayors & Eileen:

As previously noted, we have an agreement as of today for AirBnB to start collecting/remitting sales tax as of 10/1. We anticipate putting out a press release in the next 10 days (coordinating with AirBnB's notification to their hosts). We have attached a copy of the draft release for your information.

As currently drafted, we don't address local option tax (which will be collected under this agreement) or your charter taxes (which will be subject to any separate agreement that you make with AirBnB). Let us know if you anticipate any questions on that score, and how you would like us to handle (we can simply respond that we understand you both are also in talks).

Thank you,
Mary

Mary N. Peterson | Commissioner
Vermont Department of Taxes
133 State Street | Montpelier, VT 05633-1401
o: 802.828.3763 | c: 802.279.2876 | www.tax.vermont.gov

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State of Vermont
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133 State Street
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Agency of Administration

For Immediate Release
Contact: Amelia Seman
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Vermont Department of Taxes
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Vermont Department of Taxes Enters into Voluntary Collection Agreement with Airbnb

Montpelier, Sept. 8, 2016 — The Vermont Department of Taxes is pleased to announce an agreement with Airbnb to collect meals and rooms tax on payment for lodging offered by its hosts. Vermont joins 12 other states, including the District of Columbia, and many other cities and counties where Airbnb has agreed to collect their occupancy taxes on behalf of the hosts.

Commented [MC1]: Not sure of the date we'll send this out – assumed it won't be before we meet with Senior Staff (Thurs. afternoon).

Beginning Oct. 1, 2016, Airbnb will collect and remit taxes on the behalf of their hosts. This allows for a more streamlined booking process for the guests using Airbnb, and works to level the playing field with traditional hotels by ensuring hosts on Airbnb are collecting and remitting the taxes owed. Additionally, hosts on Airbnb will not be responsible for any back taxes they have failed to collect.

Commented [MC2]: Should confirm with Airbnb... This was my attempt to count them on their website.

“We are very pleased to announce this agreement with Airbnb,” said Commissioner Mary Peterson. “Since the launch of sites similar to Airbnb, we have been working to fit our existing rules and regulations onto new structures of business. It’s not always easy, especially when a host finds out through an audit years later that they were responsible for collecting and remitting the rooms tax. This agreement allows for voluntary compliance which is good for Vermont and all taxpayers.”

QUOTE FROM AIRBNB?

In addition to the agreement with Airbnb, the Department of Taxes is offering a voluntary come forward program for hosts on other platforms. Between now and Nov. 1, 2016, if a host comes forward to voluntarily register with us, they will not be liable for any back meals and rooms taxes owed. Hosts will still be liable, however, for income taxes that were not filed and paid on rental income.

The Department of Taxes is currently working towards reaching out to other platforms that offer short-term rental of property with hopes to enter into agreements with those platforms as well.

Taxpayers interested in registering with the Department of Taxes should contact the Business Tax Section at 802-828-2551.

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