



Frequently Asked Questions for Nightly Rentals

Brian Head Town, Utah

FAQ:

1. **What is a nightly rental?** A nightly rental or short-term rental is any place providing temporary sleeping accommodations to the public for a period less than thirty (30) consecutive days, including, without limitation, a hotel, motel, lodge, condominium unit, single-family residence, bed and breakfast, boarding house, inn, resort, rooming house, recreational lodging unit, private campground or timeshare project.
2. **Is a business license required for operating a nightly rental in Brian Head?** Yes, it is required to hold a valid business license in order to operate a nightly rental. Submission of an application does not constitute a license. There are documents and fire inspections that need to be completed before a license is issued. For a complete list of items/documents that need to be completed, please refer to #4 of this page.
3. **Who may apply for a nightly rental license?** Either the property owner, if they are renting their home, or a rental management company who is working on behalf of the property owner.
4. **What are the requirements for a nightly rental license?** The requirements are as listed below and can be found in the Brian Town Code, Title 3-2A-21-3:
 - a) Home/condo must be located in a zone where nightly rentals are permitted. All residential zones allow for nightly rental operations.
 - b) A Utah State Sales Tax number identifying Brian Head is required regardless of whether the owner uses Airbnb or Vrbo. This is submitted as part of the application process.
 - c) Fire inspection passed and completed.
 - d) All fees paid. (\$160 new application & \$30 per fire inspection)
 - e) Cabins are required to post the maximum occupancy limit near the main entryway. The occupancy limit is identified by State Fire Code: 1 person per 200 square feet of the building.
 - f) Designated responsible party: If a property owner authorizes a rental management company to rent the property on their behalf, the property owner must submit written authorization. If a property owner is renting their property on their own, they are to identify a designated responsible party.
 - g) Cabins shall identify the maximum number of parking spaces located on the property and must be posted near the main entryway of the home along with a declaration prohibiting on-street parking between November 1st thru April 30th as well as a map of available overflow public parking. All vehicles must be parked on-site and maintained so that on-site parking at all times available for use of the occupants. Failure to provide the parking spaces will result in a written violation.

- h) The name and address of the designated responsible party who is available by telephone and is responsible to respond to any complaints and/or violations.
 - i) Snow removal access during winter months to a level that allows safe access to the nightly rental.
 - j) Brian Head Town Approved Good Neighbor Policy is required to be distributed to all guests/renters at the owners/rental management companies' expense and must post a copy of the Good Neighbor Policy/Parking Map near the main entryway.
 - k) Proof of Insurance: Property and casualty insurance covering nightly rental use must be maintained on the property. Owner must provide proof of such insurance at the time of application and upon request by the Town any time thereafter.
5. **If I choose a rental management company initially to rent out my property and change to another company or decide to rent my property myself, do I need a new license application?** If you choose to rent out your property yourself, you will need to submit a new application to the Town Clerk. If the property owner changes rental management companies, both rental management companies (old and new) will notify the Town Clerk within 10 days of the change and a new license will be issued under the current rental management company's name.
6. **What is the Good Neighbor Policy?** Brian Head Town adopted a Good Neighbor Policy for the nightly rental businesses. This approved policy is to be posted near the main entryway and the owner/rental management company is required to distribute the policy to its guests. The purpose of the policy is to inform the guests with contact information, respecting the neighbors, noise, fire safety, and the responsibilities of the guests.
7. **Brian Head Enhanced Service Fee and what is it?** The Brian Head Enhanced Service Fee is a tax exempted fee of 1.5% assessed on all taxable sales and is remitted directly to the Town on a quarterly basis. The fee goes towards the Brian Head Town Shuttle System and includes enhanced snow removal for the shuttle system. Each taxable business is required to submit a quarterly report and payment directly to the Town on a quarterly basis, even if there are no sales within the quarter. Business who are delinquent in submitting the enhanced service report may be subject to suspension or revocation of their business license.
8. **Do I need a sales tax number if I'm using Airbnb or Vrbo who collects the sales taxes?** Yes, as part of a completed application, a sales tax number is required. Airbnb and Vrbo collect the state sales/transient room taxes but does not collect the Brian Head Enhanced Service Fee. Airbnb and Vrbo are the only advertising platforms that collect sales taxes on behalf of the business. It is the owner's responsibility to collect and submit this fee. Vrbo and Airbnb identify a report to their homeowners which show them submitting taxes for Brian Head Town.

Listed below is a breakdown of what Airbnb & Vrbo collect under the Brian Head Taxes:

- 1.6% Resort Community tax. This tax is a tax that is allowed due to the high transient room population that Brian Head has.

- 1% Municipal Transient Room Tax. This is one of three transient room taxes that are collected. The State has a 0.32% and Iron County has 4.25% transient room taxes that are assessed.
 - 1.4% tax: This is a combination of three taxes: 1.0% is the local option tax, 0.3% is the municipal highway tax and 0.10% is the PAR (Parks, Art & Recreation) tax.
9. **What are the total taxes/fees collected as a nightly rental in Brian Head?** As of July 2019, the total amount of taxes and fees to be collected is 15.17%. 13.67% is submitted to the Utah State Tax Commission which includes sales, resort and transient room taxes. 1.5% of your gross sales are submitted directly to Brian Head Town for the Enhanced Service Fee. For current tax rates, please visit: <https://tax.utah.gov/salestax/rate/19q3simple.pdf> - Please note these are the State Tax Rates and does not include the 1.5% Enhanced Service Fee for Brian Head.

If you still have questions, please contact the Town Clerk at nleigh@bhtown.utah.gov or by calling 435-677-2029 during normal business hours.