



*County of Nevada ~
Office of the Treasurer & Tax Collector*

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NEVADA COUNTY BOARD OF SUPERVISORS
Board Agenda Memo

MEETING DATE: March 28, 2017
TO: Honorable Board of Supervisors
FROM: **Tina M. Vernon, Treasurer & Tax Collector**
SUBJECT: Airbnb Voluntary Collection Agreement

RECOMMENDATION: The Board of Supervisors approves and executes a Voluntary Collection Agreement with Airbnb, Inc. to collect and remit Transient Occupancy Taxes (TOT) in the unincorporated areas of Nevada County effective May 1, 2017.

FUNDING: N/A. The Voluntary Collection Agreement will be revenue positive.

BACKGROUND:

Airbnb is a San Francisco based company, founded in August 2008, that provides an internet-based platform through which third parties offering accommodations (hosts) and third parties booking such accommodations (guests) may communicate, negotiate and consummate a booking transaction. Airbnb facilitates the booking of a large population of short term rentals in Nevada County. Currently it is very difficult to determine the locations of the rentals Airbnb facilitates as the property location and owner/operator detail is not attainable through their site. Not knowing the location of these rentals facilitated by Airbnb makes collection efforts of the 10% TOT directly from the owners / operators, unreasonably difficult and too costly to collect if that short term rental is only facilitated through Airbnb.

Since the Tax Collector must treat all tax payers equally under the law, Tax Collector's around the State have put pressure on Airbnb to cooperate with counties to either collect and remit TOT directly to the office of the Treasurer & Tax Collector (TTC); or to provide the TTC office with addresses of all rentals it facilitates in the unincorporated areas of the county. Airbnb has responded with a Voluntary Collection Agreement, negotiated by each individual county according to its specific processes.

The County entered into negotiations with Airbnb in late December 2016 and has agreed on the attached Voluntary Collection Agreement. This Agreement provides that Airbnb will register as a TOT operator and will report, collect and remit TOT to the County on a quarterly basis for all eligible short term rentals it facilitates in the unincorporated areas of the county.

This Agreement will enhance TOT revenue collections and allow more efficient and effective collection of these revenues going forward.

Item Initiated and Approved by: Tina M. Vernon
Submittal Date: March 3, 2017