



## *Aurora Short-Term Rentals FAQ*

As of December 16, 2016

### **What does this apply to?**

Anyone advertising rentals lasting for less than 30 days is engaging in the provision of lodging services. Renting a property with a long-term written lease agreement for more than 30 days is not in the business of providing lodging services and the following requirements do not apply. The following FAQ provide information regarding short term rentals in most Aurora residential zones.

### **Who can operate as a short-term rental (STR)?**

You must be the primary resident to operate a short term rental as a home occupation. Investment properties that you are not the primary resident are not permitted as short term rentals in most residential zones in Aurora. Also, your homeowners association or landlord may not permit this type of use.

### **I want to list my property as a short term rental on AirBNB, VRBO, Homeaway or another STR site. What do I need to do?**

1. Check with your Homeowners Association and Landlord (if applicable) to find out if short term rentals are permitted at your residence.
2. Obtain a Business License / Lodgers Tax License (single application -\$40) at [https://www.auroragov.org/business\\_services/licenses/business\\_licensing/](https://www.auroragov.org/business_services/licenses/business_licensing/)
3. Obtain a State Sales Tax License at <https://www.colorado.gov/revenueonline/>
4. Once you have been issued your City of Aurora Business License, you are required to post the license number in your online advertisement.
5. Collect 8% lodger's tax for the city and applicable state lodger's tax depending on your county: Adams (4.75%), Arapahoe (4.25%), Douglas (5%). The city returns are available here: [https://www.auroragov.org/business\\_services/taxes/](https://www.auroragov.org/business_services/taxes/)
6. Remit lodgers tax to the city and to the state. A filing schedule will be set up when you apply for your business license.
7. Ensure that your business applies with the home occupation regulations:
  - a. Owner occupied
  - b. Secondary to primary occupant
  - c. No external evidence or advertising of the activity
  - d. Minimize impacts to the surrounding neighborhood
8. You may also want to check with your homeowners insurance to ensure that you and your guests are properly covered.



Tax and Licensing Division  
15151 E. Alameda Parkway, Ste. 5700  
Aurora, Colorado 80012  
303.739.7800

**I plan to rent my house for only a few days a year, do I still need to obtain a business license and collect lodger's taxes?**

Yes. A business license and collection of the lodger's tax is required.

**What does it cost to register and how often?**

The city business / lodgers tax license is \$40 and is renewed every two years for \$26

**How will the city verify that a unit is someone's primary residence?**

City licensing and code inspectors have authority to request documentation of primary residency verification from short term rental licensees. These documents can include but are not limited to:

- Driver's license
- Voter's registration
- State ID card
- Tax documents
- Utility bills
- Any other document proving the STR unit is the primary residence

**Do STR licensees need to pay taxes?**

Yes. STR licenses will be required to collect and pay 8% city lodgers tax and collect and remit lodger's tax to the state as well. State collected rates vary by county and can be found at the state department of revenue's website. More information can also be found at [auroragov.org/taxes](http://auroragov.org/taxes).

**Do STR units require in-person inspection?**

No. However, any home listed for rental must have carbon monoxide detectors installed by state law. Smoke detectors are also advised and may be required by building codes. As a business owner, you have certain responsibilities to ensure the safety of your guests. Also check with your insurance carrier to ensure that you and your guests have appropriate coverage.

**How will STRs be enforced or regulated?**

The city will monitor compliance with the licensing and tax collection requirements. Code enforcement will respond to complaints. Records of tax collections can be audited. Failure to license, follow home occupation regulations or remit taxes may also result in a municipal summons subject to the municipal fine schedule.

**Does a host have to be present during an STR?**

No. Property owners or long-term renters may conduct STRs while they are on vacation and / or property is vacant as long as it is their primary residence.

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### **Can accessory dwelling units (ADUs) be used for STRs?**

ADUs may be used as STRs by a property owner or long-term renter who is living in the primary structure on the property.

### **I want to own an investment property as an STR or expand my business to include external advertising and / or other services?**

This is not permitted as a home occupation. However, if your business is owner occupied then you may qualify as a Bed and Breakfast. These are permitted in certain residential zones and may require a conditional use permit approved by the planning commission. If your home is not owner occupied, then you would be considered a Boardinghouse. Boardinghouses are only permitted in higher density residential zones or mixed-use zone districts. They are not permitted in low density residential districts. The city will be reviewing the potential for expanding the opportunity to have investment properties in the future. If you have questions about this use and if a location would qualify, you can contact the Planning and Zoning Department at 303.739.7000.

### **What visitor services are available for my lodging business?**

With the collection of lodger's tax by Aurora short term rental operators such as AirBNB, it qualifies the operator the complimentary services of Visit Aurora, Inc. These services allow the operator the resources of Visit Aurora to assist in the marketing of the lodging option as well as assistance with messaging and branding. This ensures a quality experience for the visitor as well as success of the home-owned business. Below are a few of the complimentary services provided by Visit Aurora to Aurora lodging partners:

- Listing of Aurora short term options through national carriers on VisitAurora.com hotel booking page
- Assistance with creating messaging in operator's listing to ensure it compliments Visit Aurora marketing and branding messages
- Provide collateral material and maps so that operator's guests have information on restaurants, attractions and services during their stay
- Share best practices to operator so that visitor has a quality experience and becomes a repeat customer
- Incorporates operator's listing into Visit Aurora's inventory so that during peak housing needs, visitor is aware of availability

Visit Aurora can be contacted at 303.326.8699 or at [info@visitaurora.com](mailto:info@visitaurora.com). The Visit Aurora website is [visitaurora.com](http://visitaurora.com).