

Important Notes From The Transient Occupancy Tax Desk

You can reach us at (707) 565-7133 or by e-mail at tot@sonoma-county.org

❖ **THE TOT RATE IS 12% - REPORTING AT 9% WILL NO LONGER BE HONORED**

Beginning with the January – March 2018 quarter, the 12% TOT rate will apply to All Gross Rents regardless of booking date or actual amount of tax collected from occupants. All attempts to report at the 9% TOT rate will be denied.

❖ **IF YOU ARE CONVERTING TO LONG TERM RENTALS**

- Permanently: You must fill out a Request to Close Transient Occupancy Tax (TOT) Certificate Form
- Temporarily: You must continue to file every quarter and include an Exemption Form
- Please mark the appropriate box on the tax return

❖ **YOU WILL BE BILLED FOR UNSUPPORTED AIRBNB ADJUSTMENTS:**

- Airbnb Gross Rents must be included in the amount reported on Line 1, along with your bookings from all other methods or platforms. For audit purposes you are required to maintain accurate records of all reported transactions, including those from Airbnb.
- If Occupancy Taxes = \$0: These transactions must be reported and paid at 12% by you, the Operator/Host, unless you provide clear evidence of an error in tax collection on the part of Airbnb. This includes bookings that were made prior to the Airbnb Voluntary Collection Agreement (VCA) going into effect on January 1, 2017. If you have Over 30 Day Exemptions on your Gross Earnings Report, do not report them as an Airbnb Adjustment; instead report them as an Exemption on Line 2.
- A Gross Earnings Report Is Required: **IT MUST SHOW GROSS EARNINGS and OCCUPANCY TAX** for each booking. Paid Out Reports/amounts are not valid support for your Airbnb Adjustment. You must provide a Gross Earnings Report from Airbnb's website so we can verify Airbnb is collecting and remitting transient occupancy tax on your behalf. Without a Gross Earnings Report, your Airbnb Adjustment will be invalidated and you will be liable for the tax. Contact Airbnb if you need assistance obtaining the Gross Earnings Report. If you have multiple properties, you must clearly identify them since Airbnb does not. Please select only the beginning and ending months that apply to the filing period.

Sample Gross Earnings Report:

Date	Type	Details	Gross Earnings	Occupancy Taxes
01/29/2017	Reservation	Jan 28 - 30, 2017 M4382M	\$650	\$78
01/15/2017	Reservation	Jan 14 - 16, 2017 PP3BWH	\$650	\$78

❖ **TOT AND BIA RETURNS WERE UPDATED**

Please review the updated returns carefully to ensure accuracy when completing them. Remember to update any generic returns you may be using. Continue visiting our website for updated forms and instructions.

- ❖ **VRBO/HOME AWAY REPORTING:** If using "Reservation Details", report the "Nightly Rent" + "Cleaning" as Gross Rents. Do NOT add back the service fee. If using the transactions export, report only the "Taxable Revenue" column. Do NOT report the "Your Revenue" column.

- ❖ **TAX RETURN LINES 2 & 3:** These are reductions to your Gross Rents. Please subtract them.

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- ❖ **ZERO GROSS RENTS:** A quarterly return still needs to be filed even if you had no rent receipts during the quarter. Enter \$0.00 in Lines 1, 4, 6 and 10 and send in your signed Tax Return.
- ❖ **EXEMPTIONS:** If you had rent receipts that qualify for exemptions (over 30 days or qualified government employees) you must attach an Exemption Claim Form to support the exempted amount. Without the required Exemption Form(s) your exemptions are considered invalid and subject to TOT and/or BIA. Exemption Forms are available on our website.
- ❖ **CLOSING YOUR VACATION RENTAL:** Please complete a Request to Close Transient Occupancy Tax (TOT) Certificate Form (located on our website) for any TOT Certificate you wish to close. You need to file and pay any outstanding taxes and return your TOT Certificate (if available) prior to closing your TOT Certificate.

Visit our website to find the TOT Ordinance, forms, and other TOT related information at www.sonoma-county.org/tax/tot