

## ***Denver Short-Term Rentals FAQ***

### **Who can apply for a Short-Term Rental (STR) license and when?**

As of July 1, 2016, property owners and long-term renters are allowed to apply for an STR license for their primary residence. Renters must certify that they have the permission of their landlord to conduct short-term rentals.

### **How does a person apply for an STR license?**

As of July 1, 2016, applications for STR licenses will be submitted at [www.Denvergov.org/STR](http://www.Denvergov.org/STR). Applicants will be required to certify that they meet the requirements for STRs.

### **What is required to obtain a STR license?**

STR operators must certify they meet the following requirements in order to obtain an STR license from Denver Excise & Licenses:

- You must be a legal resident of the United States.
- The property must be your primary residence.
- If you do not own the property, you must obtain written documentation from the landlord or property owner allowing you to operate an STR.
- You must possess all applicable [Business Taxes](#) licenses, including the Lodger's Tax.
  - [Tax License Application](#)
- If your property is part of a homeowners association, please verify that STRs are allowed in your HOA.
- Check with your insurance carrier to ensure that your STR is covered.

### **What is the fee for obtaining an STR license? Does a license need to be renewed?**

An application fee of \$25 will be assessed for individual STR license applications. STR licenses are offered annually, and need to be renewed every 12 months.

The license fee for the Lodger's Tax ID is \$50 to be renewed every 2 years.

### **When will STR licenses be required?**

STR operators must be licensed by Dec. 31, 2016.

### **Where are STRs allowed?**

STRs are allowed as an accessory use wherever residential uses are allowed. That includes residential as well as mixed-use commercial districts. Private homeowners associations (HOAs) have authority to prohibit STRs through their private covenants and rules.

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

Excise & Licenses inspectors have authority to request documentation of primary residency verification from STR licensees at any time. Inspectors rely on various forms that demonstrate the STR operator's unit is their primary residence. 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 a primary residence

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

Yes. STR licensees will be required to pay 10.75% Lodger's Tax, Occupational Privilege Tax, and any other applicable taxes or fees associated with their STR. The [Tax License Application](#) is available on the city's [Business Taxes](#) webpage.

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

No. However, licensees must certify under penalty of perjury their STR has a fire extinguisher, carbon monoxide detector, smoke alarm, and liability insurance to cover bodily and property damage.

**Why is a license number required to be placed in advertisements?**

License numbers will be required in advertisements so Excise & Licenses can track and monitor various STR platforms for both licensed and unlicensed STRs being advertised. No personal licensee information will be included in the license number.

**How will STRs be enforced or regulated? What are the fines for violations?**

The city tracks and monitors complaints about licensed and unlicensed STR units. Excise & Licenses responds to complaint-based STR inquiries, in addition to conducting proactive enforcement measures through department inspectors. The Director of Excise & Licenses has summary authority to levy penalties, fines, suspensions, or show-cause hearings that could lead to STR license revocation at any time for violating any provision of the STR regulations, or for violating any local or state law. Fines for violating any STR rules and regulations can be up to \$999 per incident.

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

No. Property owners or long-term renters may conduct STRs while they are on vacation and/or the property is vacant. However, hosts are required to leave a welcome packet for guests that includes appropriate contact information and instructions on city services.

**How many guests are allowed to stay in an STR?**

STR hosts have the ability to set their own guest maximums. However, per the Denver Zoning Code (DZC), STRs are accessory to primary residential use, meaning the overall character of the property should remain residential. The DZC also explicitly states that STRs do not include rental of a dwelling unit for commercial events, such as parties or weddings. Additionally, only one rental contract may be allowed at a time in any STR. Multiple rental contracts to separate parties in an STR are prohibited.

**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. However, only one STR license will be allowed per property, so a long-term renter of an ADU may only apply for an STR license if the owner/renter of the primary structure does not also have one.

**Can duplexes be used for STRs?**

Each unit in a duplex is a separate primary dwelling unit, so the primary resident of each unit may obtain a license to conduct an STR. However, a person who resides in one duplex unit may not obtain a license to conduct an STR in the adjacent unit, because that unit is not their primary residence.

**Why does the city license STRs?**

Denver has legalized and licensed STRs in the city in order to regulate and tax this home-sharing practice, as well as:

- Recognize the fact that STRs are widely operating today as a popular home-sharing practice for Denver residents.
- Provide a regulatory environment that allows the popular practice to continue while focusing responsibility and accountability among operators and limiting the impact on neighborhoods.

**How can someone learn more about STRs in Denver?**

Visit [www.Denvergov.org/STR](http://www.Denvergov.org/STR) where you can review licensing requirements, apply for a license as of July 1, 2016, report issues related to STRs and send comments or questions to city staff.

- [DenverGov.org/STR](http://DenverGov.org/STR) -