DISTRICT OF COLUMBIA

SHORT-TERM RENTAL PROGRAM

dcra

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GOVERNMENT OF THE DISTRICT OF COLUMBIA
MURIEL BOWSER, MAYOR

Operating a Short-Term Rental in the District of Columbia

As one of the strongest real estate markets in the country, Washington, DC is a robust rental market. With an anticipated more than 5,100 short-term and vacation rentals in the District, a new law, The Short-Term Rental Regulation Act of 2018 (14 DCMR Section 9901.6), took effect December 3, 2021 governing the licensure of short-term and vacation rentals in the District of Columbia.

For Property Owners

Whether you are simply seeking to share your space with others or want to earn extra income by renting out your home, or a part of it, having a Short-Term or Vacation Rental License may help you achieve your goals.

In order to operate a short-term or vacation rental in the District, the property must be owned by an individual, and serve as a homeowner's primary residence – with the owner being eligible to receive the Homestead Tax Deduction. The owner, or host, must attest to the habitability of the property. There must be unobstructed egress from the rental property, and working smoke and carbon-monoxide detectors, and a portable fire extinguisher, are required.

Additional Requirements

- Proof of liability insurance with a minimum of $250,000 in coverage must be provided – this may be obtained through a rental platform or an insurance company.
- A Certificate of Clean Hands issued within the last 30 days in the property owner's name must be obtained from the Office of Tax and Revenue.
- If the rental is a co-op, condo, or if the property is in a community where there is a homeowners' association, the owner must attest that short-term and/or vacation rentals are allowed.
- Hosts must provide a 24-hour accessible phone number to reach themselves, or their representatives, for emergencies.
- The host must post the Short-Term Rental or Vacation Rental License conspicuously inside the property.
- All applicable transient lodging taxes, which will be collected by booking services on behalf of hosts, must be paid.
- Records of each booking must be maintained for a period of two years.
- Investment properties and those owned by corporate entities are not eligible.

Types of Short-Term Rental Licenses

Short-Term Rental License:

- Owner occupied during the rental
- Guests have restricted use of the home, e.g., a room or discrete area within the home
- No limit on the number of rentals per year
- Individual rentals are limited to 30 continuous nights

Vacation Rental License:

- Owner is not on the premises during the rental
- Guests have exclusive use of the entire home during the rental
- Rentals are limited to a total of 90 nights per calendar year
- Individual rentals cannot exceed 30 continuous nights

The total cost for either license is $104.50 for a two-year license. This includes a $70.00 processing fee, a $25.00 endorsement fee, and a 10% platform fee. Property owners who have been operating short-term rentals will have 90 days from January 10, 2022 to apply for and obtain a Short-Term or Vacation Rental License before enforcement begins.

For Rental Platforms

All hosts must be licensed by April 10, 2022. Any property that is not properly licensed may not be listed for rent.

Apply for a Short-Term or Vacation Rental License

For Renters and Neighbors

Short-term rentals are allowed to operate in any neighborhood or zone in the District as long as the host has a valid Short-Term or Vacation Rental License.

Guests are allowed to park on public streets and must observe any residential parking restrictions. Guests are not considered a guest of a resident in the District's annual Visitor Parking Pass program.

To confirm the existence of a license, please use Scout, DCRA's online consolidated database, to confirm the existence of a Short-Term Rental License.

If you encounter any issues with a short-term rental, or suspect the operation of an unlicensed rental, you may contact the District of Columbia Short-Term Rental Hotline at 202.221.8550 to file a complaint.

For additional information, please visit dcra.dc.gov/shorttermrentals.

SHORT-TERM RENTAL PROGRAM
FREQUENTLY ASKED QUESTIONS

What is a "short-term rental"?

A "short-term rental" allows a host to offer fee-based lodging at their primary residence while the host is present on the property (for example, a bedroom within a home). As long as the host is present, there is no limit on the number of stays allowed during a calendar year; however, each short-term rental stay is limited to 30 or fewer continuous nights.

What is a "short-term rental: vacation rental"?

A "vacation rental" is a type of short-term rental that allows a host to offer fee-based lodging at their primary residence without being present on the property (for example, a full home). Cumulatively, vacation rentals cannot exceed 90 nights in any calendar year, and each rental is limited to 30 or fewer continuous nights.

Am I required to get a license?

ALL short-term rental and vacation rental properties must be licensed by the Department of Consumer and Regulatory Affairs (DCRA). Failure to obtain a license will result in enforcement action, including fines.

What is the difference between a short-term rental and a vacation rental?

- Host's primary residence
- Owner-occupied during rental
- Guests have restricted use of home
- No limit on frequency of rentals per calendar year
- Rentals cannot exceed 30 continuous nights

- Host's primary residence
- Owner is not on the premises during rental
- Guests have exclusive use of entire home (host and other guests not present)
- Limit of 90 nights cumulatively per calendar year*
- Rentals cannot exceed 30 continuous nights

*A host may apply for an exemption to the 90-night vacation rental restriction here if their employer, or their spouse or domestic partner's employer, requires them to work outside of the District for more than 90 days cumulatively in any calendar year. The host may also apply for an exemption if they need to leave the District to receive treatment for a serious health condition or to care for a family member who is receiving treatment for a serious health condition for more than 90 days cumulatively in any calendar year.

Do I need more than one license if I have multiple short-term rentals on my property?

A host only needs one Short-Term Rental License, regardless of how many rooms they intend to rent out separately. If a host wishes to conduct short-term and vacation rentals, they will need both licenses.

What is a "primary residence"?

A "primary residence" is a property for which the owner is eligible for the Homestead Tax Deduction. Note that accessory dwelling units, including English basements, are considered part of a host's primary residence if the property owner is eligible for the Homestead Tax Deduction for the property.

Do I need a Certificate of Clean Hands for my property?

Yes, property owners are required to have a Certificate of Clean Hands issued within the previous 30 days in their names to obtain a Short-Term Rental License. The District of Columbia Clean Hands mandate stipulates that individuals are to be denied City goods or services (e.g., licenses, permits, grants, contracts) if there is a debt owed to the District of Columbia of more than $100.00 for fees, fines, taxes, or penalties; and/or failure to file required District tax returns. You can apply for a Certificate of Clean Hands via the Office of Tax and Revenue at MyTax.DC.gov.

Is there a limit on how many guests I can have in my short-term rental?

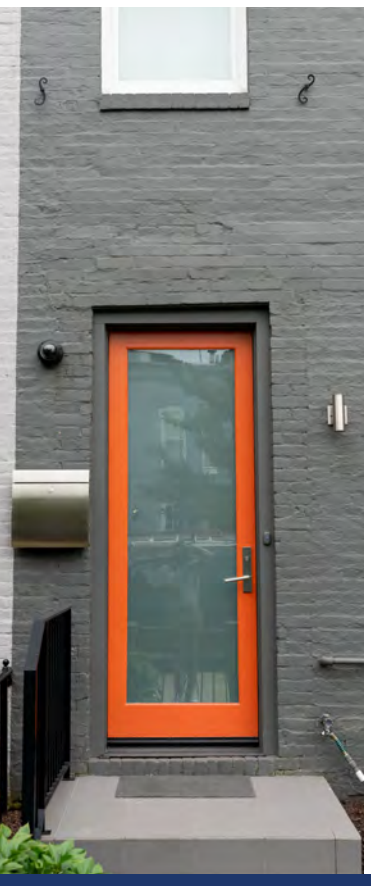
Occupancy in a short-term rental is limited to a maximum of eight guests, or two guests per bedroom, whichever is greater.

Who is allowed to be a host?

Only a natural person can be a host. Business entities such as an LLC or corporation cannot be a host and are prohibited from operating a short-term or vacation rental.

Are short-term/vacation rentals allowed to operate in my neighborhood?

Short-term/vacation rentals are allowed to operate in any neighborhood or zone in the District as long as a host has a valid license.



What are the requirements for a Short-Term/Vacation Rental License?

- Proof of liability insurance with a minimum of $250,000 in coverage must be provided – this may be obtained through a rental platform or an insurance company.
- A Certificate of Clean Hands issued within the last 30 days in the property owner's name must be obtained from the Office of Tax and Revenue.
- If the rental is a co-op, condo, or if the property is in a community where there is a homeowners' association, the owner must attest that short-term and/or vacation rentals are allowed.
- Hosts must provide a 24-hour accessible phone number to reach themselves, or their representatives, for emergencies.
- The host must post the Short-Term Rental or Vacation Rental License conspicuously inside the property.
- All applicable transient lodging taxes, which will be collected by booking services on behalf of hosts, must be paid.
- Records of each booking must be maintained for a period of two years.
- Investment properties and those owned by corporate entities are not eligible.

What is the fee for a Short-Term/Vacation Rental License?

The total cost for a Short-Term or Vacation Rental license is $104.50. This includes a $70.00 processing fee, a $25.00 endorsement fee, and a 10% technology fee.

How long is a Short-Term/Vacation Rental License valid?

A Short-Term/Vacation Rental License is valid for two years and can be automatically renewed after two years by paying the required fee.

Where do I apply for a Short-Term/Vacation Rental License?

You may apply for a Short-Term Rental or Vacation Rental License online. Please note that you must have or create a single sign-on, Access DC, account. For more information, visit dcra.dc.gov/accessdc.

Does a short-term/vacation rental require a housing inspection?

An inspection is not required before a Short-Term Rental License is issued. However, as part of the application process, the applicant must self-certify that the property complies with the Housing Code and Property Maintenance Code of the DC Municipal Regulations.

Are short-term rental hosts required to provide off-street parking?

No, there are no requirements in the zoning regulations for short-term rental off-street parking. Guests are allowed to park on public streets and must observe any residential parking restrictions. Please note that short-term rental guests are not considered a guest of a resident in the Advisory Neighborhood Commission area designated on an annual visitor parking permit.

Are short-term/vacation rentals allowed in condominium buildings?

Yes, short-term and vacation rentals are allowed in condominium buildings as long as it is the host's primary residence and the owner attests that short-term and/or vacation rentals are allowed at the property.

Where can I confirm that a short-term or vacation rental property is licensed?

The status of a Short-Term or Vacation Rental License may be determined using Scout, DCRA's consolidated online platform used to verify licenses and permits. Sites that list short-term and vacation rentals are also required to list the host's license number as part of the listing.

Where can I submit complaints about short-term rentals or vacation rentals?

You may submit a complaint regarding a short-term/vacation rental to DCRA's Short-Term Rental Hotline by calling 202.221.8550.

Can a host hold a Short-Term Rental and Bed and Breakfast License?

Yes it is possible, however, given the onerous requirements associated with a Bed and Breakfast License and accompanying Home Occupancy Permit (HOP), DCRA recommends not having a Bed and Breakfast License and a Short-Term Rental License. If you would like to cancel your Bed and Breakfast License, please complete the Basic Business License Online Cancellation Request Form to begin the process.

DEPARTMENT OF CONSUMER AND REGULATORY AFFAIRS

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