

## **SHORT TERM RENTALS**

### **Q: Why aren't short-term rentals taxed like hotels?**

**A:** They are! All short-term rentals, hotels, motels, and bed-and-breakfasts in Paonia are required to pay state sales tax and county lodging tax. Some services like AirBnB automatically include these costs in every rental and remit payment directly to the state. Paonia does not currently have a municipal tax or fee for hotels or renting of rooms. You can learn more here: <https://www.colorado.gov/pacific/sites/default/files/Sales11.pdf>

### **Q: How are short-term rentals regulated in Paonia?**

**A:** Please see Paonia Municipal Code section 16-11-30. As interpreted by town staff, 16-11-30(a) allows for "renting of rooms" in the R-1 residential zone only if it is a secondary use within the same dwelling unit as the primary residence. 16-11-30(b) would apply to multi-unit residences in R-2 zoning. The requirements of section 16-11-30 would apply to all short-term rentals in town. Please note that these regulations may change as the town is currently reviewing the regulations for both short-term rentals and accessory dwelling units.

### **Q: What is happening now?**

**A:** The Governmental Affairs and Public Safety (GAPS) Committee has been tasked with reviewing and recommending updates to Paonia's short-term rental regulations. This process is underway. A public listening session was held on Zoom, and a survey will be open to the public in April. The GAPS committee will then bring recommendations to the town board.

### **Q: How can I learn more or share information?**

**A:** You are welcome to contact the GAPS committee with questions or comments. Trustees Mick Johnson and Michelle Pattison are on the GAPS committee and contact information can be found here: <https://townofpaonia.colorado.gov/board-of-trustees>. A survey will be made available to the public on April 1. All GAPS committee meetings are open to the public and are scheduled for the first Wednesday of each month at 10am.