



Legislation Text

File #: 23-5366, **Version:** 1

Resolution - A Resolution of the City Council of the City of Mansfield, Texas, Approving an Agreement Between the City of Mansfield, TX and Airbnb, Inc. for Collection of Hotel Occupancy Taxes

Approve the Resolution approving the voluntary collection agreement between the City of Mansfield and Airbnb, Inc. for the collection of Hotel Occupancy Taxes.

Staff recommends the approval of this Resolution.

There is an estimated 94 dwelling units that are available in the City of Mansfield ("City") for rent to guests. The owners of these dwelling units (commonly referred to as "hosts") usually list the rental on web sharing platforms such as Airbnb and other similar platforms. Although hosts are required to pay occupancy taxes under Chapter 38 of the Code of Mansfield, Texas when they rent a dwelling unit or portion of dwelling unit to guests the City does not require hosts to register with the City and therefore it makes it difficult for the City to ascertain whether occupancy taxes are being properly remitted to the City as required. Under current state law, web platforms such as Airbnb are not directly liable for collecting local occupancy taxes, however, under this agreement, starting July 1, 2023, Airbnb agrees to collect the occupancy tax from each Airbnb host for bookings made through the Airbnb platform and remit to the City on a monthly basis. There is no cost associated to the City for this service.

Approving this agreement will provide the City with assurances that it is collecting the local occupancy taxes due from dwelling units listed and booked through the Airbnb platform.

N/A

Vanessa Ramirez, Assistant City Manager