



June 16, 2020

RE: Short-term Rental Property Listed on HomeAway.com, Inc.

Dear Business Owner:

On July 1, 2020, HomeAway.com, Inc which includes the brands and websites: HomeAway, VRBO and VacationRentals.com. will begin collecting City of Colorado Springs Sales Tax and Lodger's Tax on short-term rental properties located within Colorado Springs. As a result, you will no longer be required to maintain a City of Colorado Springs Retail Sales Tax License or collect and remit these taxes for properties listed and booked through their site.

This applies only to properties listed and booked through HomeAway, VRBO, and VacationRentals.com. If you list or book your properties using other reservation methods or through other websites, you are still required to have a City Retail Sales Tax License. You are also responsible for collecting and remitting the sales tax and the lodger's tax on these short term rentals.

Please see the enclosed for additional information.

Thank you,

City of Colorado Springs  
Sales Tax Office

## **QUESTIONS AND ANSWERS**

### **Why am I receiving this letter?**

Our records indicate that you are in the business of providing lodging services, which may include short term rentals. If you are listing on HomeAway, we wanted to make sure you are aware of the change.

### **Why is HomeAway collecting City taxes?**

HomeAway. has made agreements with many taxing entities to collect and remit local taxes on behalf of property owners or hosts. Colorado Springs and HomeAway have entered into such an agreement.

### **If HomeAway is collecting the applicable sales tax and lodger's tax on my rentals, do I still need a City of Colorado Springs Retail Sales Tax License?**

If you list and book your short term rental property solely on HomeAway, you no longer need your City Retail Sales Tax license. HomeAway.com Inc will be responsible for the licensing and collection of the applicable City taxes.

If you list and book your short term rental property on multiple websites other than through HomeAway, VRBO, VacationRentals.com and Airbnb, you are still required to have a City Retail Sales Tax license and are responsible for the collection of the applicable City taxes.

### **What about my state license and licenses with other jurisdictions?**

Please contact the Department of Revenue and other jurisdictions directly.

### **What if I want to collect my own taxes?**

When listing on HomeAway, you agree to specific terms and conditions, including the collection of applicable taxes on your behalf. Please see their website for additional information.

### **How do I cancel my City of Colorado Springs Retail Sales Tax License?**

You will need to provide a cancellation date using our Account Maintenance Form. This is located on our website, [www.coloradosprings.gov/salestax](http://www.coloradosprings.gov/salestax), select Additional Forms the fillable form is labeled Account Maintenance Form. You can e-mail the completed form to [salestax@coloradosprings.gov](mailto:salestax@coloradosprings.gov). If you have additional questions contact the Sales Tax Office at 719-385-5903.

Any taxes you have collected up to your cancellation date will be your responsibility. A sales tax return is required for all periods up to the cancellation date.

### **Can I keep my City of Colorado Springs Retail Sales Tax License active even if I no longer have to collect the applicable taxes?**

Yes, you can. Your current license is valid through December 31, 2021. By keeping your license active, you won't have to re-apply for a new license in the event you decide to list and book through other websites. At the end of 2021, you will pay a renewal fee to keep the license active. If you keep your license active, you will still need to file sales tax returns, even if you had no taxable sales.