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Important Update: Notice of New 3% Local Occupancy Tax

Dear Property Owner,

Please be advised that the Townsend Board of Commissioners have enacted Ordinance 349-25-1C, imposing a 3% occupancy tax on all short-term rentals (defined as stays lasting less than 30 consecutive days). This tax, commonly known as a Hotel/Occupancy Tax, is to be levied on the total rental amount charged to guests.

Effective Date: May 01, 2026

Summary of Ordinance:

- **Tax Rate:** A 3% surcharge on all gross rental income.
- **Applicability:** All bookings made for stays occurring on or after May 01, 2026.
- **Responsibility:** While platforms like Airbnb/VRBO may remit this on your behalf, it is ultimately the owner's responsibility to ensure compliance.
- **Exemptions:** Stays of 30 consecutive days or more by the same guest are exempt.

Action Required:

Please update your booking systems, websites, or rental management platforms to reflect this 3% increase. You must ensure that this tax is collected from guests and remitted to the City Recorder by the 20th of each month.

Failure to collect and remit this tax may result in penalties and interest. Please consult your tax professional for further guidance on registration and filing procedures.

If you have questions, please contact City Manager Don Stallions or City Recorder Gayla Webb at 865-448-6886.

Sincerely,

A handwritten signature in black ink that reads "Gayla Webb".

Gayla Webb
City Recorder
City of Townsend