

HENRICO COUNTY CODE OF ORDINANCES FOR STR

Henrico County Code Section 20-273 Definitions:

"Hotel" includes, but is not limited to, any public or private hotel, inn, apartment hotel, hostelry, tourist home or house, motel, boardinghouse, short-term rental or other lodging place within the county, offering lodging to any transient for compensation.

"Lodging" includes, but is not limited to, any space or room furnished any transient.

"Operator" means the proprietor of any dwelling, lodging, or sleeping accommodations offered as a short-term rental, whether in the capacity of owner, lessee, sublessee, mortgagee in possession, licensee, or any other possessory capacity.

"Person" includes, but is not limited to, an individual, firm, partnership, association, corporation, person acting in a representative capacity, or any group of individuals acting as a unit.

"Room rental" means the total charge, exclusive of any tax imposed on such charge, made by any hotel for lodging furnished any transient. If the charge made by any hotel to a transient includes any charge for services or accommodations in addition to that of lodging or use of space, then such portion of the total charge as represents only lodging or space rental shall be distinctly set out and billed to such transient by such hotel as a separate item.

"Short-term rental" means the provision of a room or space that is suitable or intended for occupancy for dwelling, sleeping, or lodging purposes, for a period of fewer than 30 consecutive days, in exchange for a charge for the occupancy.

"Transient" means the same person who, for a period of less than 30 consecutive days, either at his own expense or at the expense of another, obtains lodging or use of space in any hotel or travel campground, for which lodging or use of space a charge is made.

Henrico County Code Section 20-275 Collection of Transient Occupancy Tax:

Every person (operator) receiving any payment for room rental with respect to which a tax is levied under this article shall collect the amount of tax thereby imposed from the transient (guest) on whom the tax is levied, or from the person paying for such room rental, at the time payment for such room rental is made. Such tax shall be deemed to be held in trust by the person required to collect the tax until remitted to the county as required in this article. The tax rate is eight percent of total room rental charges.

Henrico County Code Section 20-276 Reports and Remittance of Tax:

The person collecting the tax levied under this article shall make a report upon such forms and setting forth such information as the director may prescribe and require. Such reports shall show the amount of room rental charges collected and the tax

required to be collected and shall be signed and delivered to the director with a remittance of such tax. **Such report and remittance shall be made at least once in every 30-day period and not later than the 20th day of the month next following the month in which such tax was collected.**

Henrico County Code Section 20-277 Penalty for Failure to File Report or Pay Tax:

If any person, whose duty it is so to do, shall fail or refuse to file with the director the report required under this article within the time specified in this article, there shall be assessed a penalty in the amount of ten percent of the tax assessable on such report. Such penalty shall be assessed on the day following the day on which the report was due unless otherwise provided by Code of Virginia, § 58.1-3903. Any such penalty, when assessed, shall become a part of the tax. The imposition of such penalty shall not be deemed a defense to any criminal prosecution for failing to make any report required in this article.

If any person, whose duty it is so to do, shall fail or refuse to remit to the director the tax required to be collected and paid under this article within the time specified in this article, there shall be assessed a penalty in the amount of ten percent of the tax past due. Such penalty shall be assessed on the day following the day on which the tax was due unless otherwise provided by Code of Virginia, § 58.1-3903. Any such penalty, when assessed, shall become a part of the tax.

In addition, there shall be assessed interest at the rate of ten percent per year on the amount of tax past due, which interest shall commence on the day following the day on which the tax was due unless otherwise provided by Code of Virginia, § 58.1-3903.

Henrico County Code Section 20-278 Procedure Upon Failure to File Return or Pay Tax:

If any person shall fail or refuse to collect the tax imposed under this article or to make within the time provided in this article the reports and remittance required in this article, the director shall make an estimate of the amount of taxes due the county by such person upon the best information available and shall proceed to determine and assess against such person such tax and penalty and interest as provided for in this article. The director shall notify such person by registered mail, sent to his last known place of address, of the amount of such tax and interest and penalty, and the total amount thereof shall be payable within ten days from the date of such notice. The director shall have the power to examine such books and records as is provided for by section 20-374.

Henrico County Code Section 20-374 Powers and Duties of Director of Finance in Regard to Incorrect Returns:

In any case, except where otherwise provided in this article, in which the director of finance has reason to believe that the return or statement filed is incorrect, he shall cause an investigation of the taxpayer's books and records to be made and shall ascertain whether such person has made a true and correct return or statement, and to that end the director of finance or his assistant is expressly authorized and empowered, when necessary, to summon such person before him and require the production of all his books and papers which he has reasonable cause to believe will throw any light upon the matter under investigation and shall also be authorized and empowered to make such other and further investigation and examination as he may deem proper in order to accurately determine the proper return or statement to be made by such person.

Henrico County Code Section 20-279 Criminal Penalties:

Any corporate or partnership officer as defined in Code of Virginia, § 58.1-3906, or any other person required to collect, account for and pay over the tax levied in this article who willfully fails to collect or truthfully account for and pay over such tax, and any such officer or person who willfully evades or attempts to evade any such tax or the payment thereof, shall be guilty of a misdemeanor.

Henrico County Code Section 20-280 Registration:

There is hereby established a short-term rental registry in the county. Operators within the county are required to register annually with the director of the department of finance and provide (i) the complete name of the operator and (ii) the address of each property in the locality offered for short-term rental by the operator. The operator must pay a fee of \$200.00 at the time of registration each year. Registrations are valid for one year from the date of registration. No operator may offer a property for short-term rental without a valid registration.

Henrico County Code Section 20-281 Exemptions:

The following operators are exempt from the registration requirement of Section 20-280:

- (1) Operators licensed by the Real Estate Board or who are property owners represented by a real estate licensee;

(2) Operators registered pursuant to the Virginia Real Estate Time-Share Act, Code of Virginia, § 55.1-2200 *et seq.*;

(3) Operators licensed or registered with the Department of Health, related to the provision of room or space for lodging;

(4) Operators licensed or registered with the county, related to the rental or management of real property, including licensed real estate professionals, hotels, motels, campgrounds, and bed and breakfast establishments.

Henrico County Code Section 20-282 Penalties:

- (a) Penalties for violations of registration requirement. Any operator required to register who violates section 20-280 is liable to the county for a penalty of \$500 for each violation. Unless and until the operator pays the penalty and registers the property, the operator may not continue to offer such property for short-term rental. Upon more than one violation of this article as it relates to a specific property, the operator will be prohibited from registering and offering that property for a short-term rental.
- (b) Penalty for violations of other applicable laws and regulations. Any operator required to register will be prohibited from offering a specific property for short-term rental upon three or more violations on more than three occasions of applicable state and local laws, ordinances, and regulations, as they relate to the short-term rental.