

Airbnb Policy Tool Chest



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Introduction

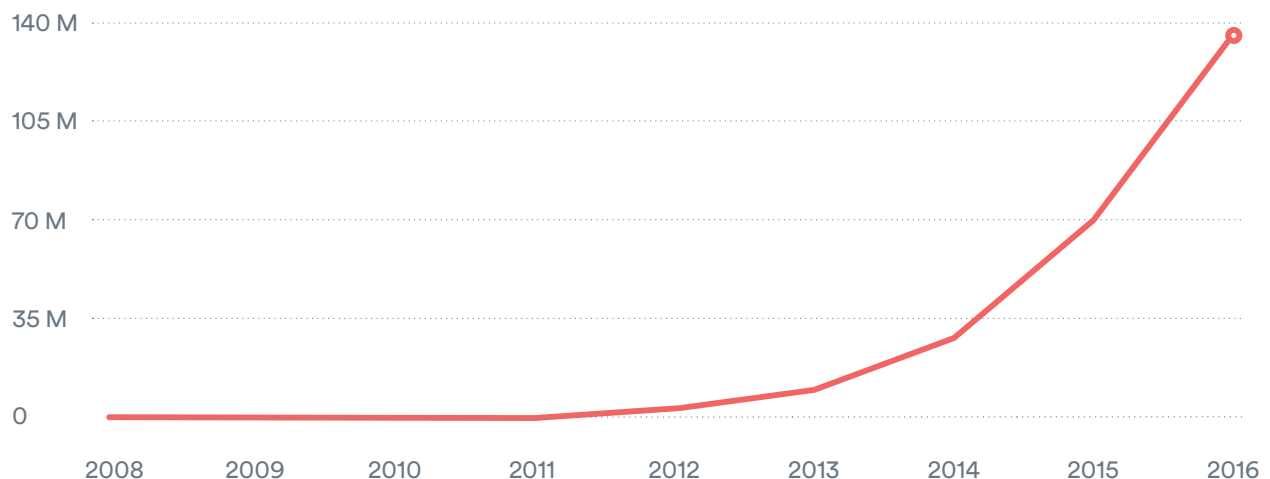
Airbnb is a people-to-people platform—we are of the people, by the people and for the people—that provides economic empowerment by bringing real benefits to those who share their homes. Founded in 2008, Airbnb is democratizing capitalism by expanding the economic pie for ordinary people, allowing them to use their home, typically their greatest expense, to generate supplemental income to pay for costs like food, rent, and their children’s education. Hosts keep 97 percent of the price they charge for listing their homes. The typical US host earns the equivalent of a 14-percent annual raise.

Airbnb is also democratizing tourism. Roughly three-quarters of our listings are outside the main hotel districts, giving millions of everyday people the chance to travel to cities and neighborhoods they might otherwise miss, and disproportionately bringing economic benefits to communities that typically have not benefited from tourism. Thirty-one percent of the people who travel on Airbnb say they would have stayed home or would not have stayed as long but for Airbnb.

And, Airbnb is democratizing revenue by generating tens of millions of new tax dollars for governments all over the world. For the first time since the 1930s, as many people are moving into cities as are moving into suburbs, and cities are having to do more to serve their residents. As a result, they are facing significant financial pressures for which the revenue generated by the Airbnb community is providing some relief.

The travel and economic opportunities created by Airbnb support the way people want to live, work and see the world in the 21st century, earning extra income to make ends meet by making better use of the estimated 13 million empty homes and 34 million empty bedrooms in the US alone. Since 2008, Airbnb hosts have welcomed more than 140 million guest arrivals in nearly 200 countries around the world. More people will use Airbnb tomorrow than do today.

Cumulative Guest Arrivals



As Airbnb grows, we recognize the opportunity and responsibility to work with local governments to craft progressive, fair rules for home sharing. In November 2015, we launched the [Airbnb Community Compact](#), outlining a set of policy principles and commitments guiding how we engage with communities around the world. The commitments include:

- **PAYING OUR FAIR SHARE OF HOTEL TAXES.**
- **WORKING WITH COMMUNITIES TO PUT IN PLACE RULES THAT SUPPORT EACH COMMUNITY'S SPECIFIC POLICY NEEDS.**
- **SHARING DATA BY REGULARLY PROVIDING INFORMATION ABOUT OUR COMMUNITY TO CITIES AND OTHER JURISDICTIONS IN WHICH WE OPERATE, IN A MANNER THAT IS CONSISTENT WITH OUR PRIVACY OBLIGATIONS.**

In the year since the Compact was announced, we have followed through on these obligations. We have established partnerships to collect and remit hotel and other taxes in more than 200 jurisdictions. We have released data and information about our impact in 19 jurisdictions. And we have worked with governments all over the world to craft progressive new laws or, where appropriate, support existing ones. Ten of the largest US cities already have enacted modern rules for home sharing or are actively engaged in productive conversations with Airbnb to find the right approaches. We also have entered into more than 30 Memoranda of Understanding (MOUs), partnerships and other agreements with a range of communities around the world.

We anticipate continued success. In the past month alone, Airbnb has entered into MOUs or advanced MOU discussions with officials in Aruba, Shenzhen, Chongqing, Guangzhou, Shanghai and in the Asia-Pacific region, Australia's New South Wales, Japan and Korea have taken steps toward progressive rules. In the US, cities including San Diego have rejected unfair restrictions or bans on home sharing.

Now, we are offering insights gained, lessons learned, and policy options developed through these hundreds of collaborations across five continents by releasing the Airbnb Policy Tool Chest, a resource for governments to consider as they draft or amend rules for home sharing.

To help demonstrate how these tools can be put to use, the Tool Chest also documents use cases from a sample of the hundreds of communities where these concepts have been tailored successfully.

Importantly, this is not a one-tool-fits-all policy prescription or model legislation. Just as you would not put a hammer to a screw, or a screwdriver to a nail, each city and country is economically, geographically and demographically unique. Rules that work in Portugal may not make sense for Philadelphia, yet both places leveraged these policy tools to enact regulations that enable home sharing to thrive, to their immediate and long-term benefit. We also have seen the effectiveness of governments taking a holistic approach when crafting these policies, rather than trying to isolate and implement one policy at a time.

The Tool Chest offers four sets of policy options for consideration:



TAX COLLECTION: Working together, platforms like Airbnb can help governments collect millions of dollars in hotel and tourist tax revenue at little cost to them.



GOOD NEIGHBORS: Home sharing can deliver benefits to tenants, homeowners and landlords in every corner of every community. Airbnb has created a series of tools to help ensure that hosts and guests are respectful of the neighborhoods in which they share space.



ACCOUNTABILITY: Airbnb and the jurisdictions in which we operate can collaborate on practical, enforceable rules for home sharing.



TRANSPARENCY AND PRIVACY: Platforms can provide data to local policymakers to enable smarter decision-making about home sharing rules without compromising hosts' or guests' privacy rights.

We also have included examples of communities around the world that have successfully implemented, or are on the way toward adopting local versions of these policies. The appendix of this report provides fuller details of these locally appropriate regulations.

Airbnb is eager to work with officials at every level of government toward modern rules for home sharing. When the car began replacing the horse and buggy nearly a century ago, we needed new rules for that new technology. Home sharing itself is centuries old, but home sharing on an online platform at a peak of 1 million guest arrivals per night is new. Such new developments take time to figure out, and we want to work with lawmakers to get this right, rather than rush to regulate in the context of outdated rules that were enacted years before the arrival of the internet. Smart policymaking will allow home sharing to achieve its potential as an economic, social and environmental solution, not just for the everyday people who take part in it, but for the cities and other governments that stand to benefit from it.

Smart Policy Tools



TAX COLLECTION.

Home sharing provides a new source of revenue for cities and other governments. By handling collection and remittance of hotel and similar taxes, Airbnb ensures that our community pays its fair share of these taxes and relieves local governments of the effort and costs of collection and enforcement. This process generates millions of dollars for these jurisdictions while costing them nearly nothing. Key policies related to taxes include:

Voluntary Collection Agreements

Collecting and remitting these taxes, known from place to place as “occupancy,” “lodging,” “room,” “tourist” or even “hotel taxes,” can be a challenge for local hosts. Most of the taxes guests usually pay are based on outdated laws that were written with hotels and traditional hospitality providers in mind. The regular people who host through Airbnb or other platforms can struggle with complicated tax filing processes that were never intended to apply to home sharing, only to hotel companies equipped with accountants and finance departments.

To address this challenge, Airbnb developed a tool, the Voluntary Collection Agreement (VCA), to ensure that proper taxes are collected and remitted while relieving hosts of onerous tax filings and governments of the burden of collection and enforcement. When a jurisdiction signs a VCA with Airbnb, we collect and remit appropriate local taxes from guests as part of their booking transactions and remit the tax revenue directly to the proper tax administrator on behalf of hosts.

Targeted funding

To date, we have collected and remitted more than \$110 million in tax revenue in more than 200 jurisdictions around the world. If even just a select set of communities across the United States alone were to adopt VCAs, to say nothing of the other communities around the world in which we operate, we project that we could remit as much as \$2 billion in taxes over the next 10 years, if not more. These tax dollars can support critical services, as determined by local officials. In **Chicago** and **Los Angeles**, for example, a portion of the new revenue is going to support affordable housing and aid for the homeless. Other communities currently have formulas in place to determine how hotel and similar tax revenue is allocated. For example, **San Francisco** dedicates a portion of these funds to support the arts.

Promoting tourism

Some governments have considered using these resources to support tourism. In both **France** and **Florida**, tax dollars collected from Airbnb are supporting destination-marketing efforts and tourism infrastructure.

We are eager to collect and remit hotel taxes in more jurisdictions and help more governments realize the revenue potential that home sharing offers. In a limited number of jurisdictions including New York and Hawaii, existing laws limit Airbnb’s and local tax collectors ability to enter into a VCA. We encourage governments to lift these restrictions.



GOOD NEIGHBORS.

Airbnb has democratized travel by bringing travelers and their spending to neighborhoods and small businesses that previously have not benefitted from tourism. Today, roughly three-quarters of all Airbnb listings are located outside of traditional hotel districts. Enabling all local communities to benefit from home sharing requires adopting fair and progressive policies, including:

Supporting home sharing in all neighborhoods

Today, zoning and other local land use policies may unfairly restrict the rights of people to share their permanent homes on a short-term basis. Often designed to prevent the operation of full-time businesses in residential areas, many of these regulations were enacted before the internet was created and did not anticipate the concept of local residents occasionally sharing their living space with travelers, much less the fast-growing popularity of home sharing.

Not only does responsible home sharing not demonstrably alter the character of a residential neighborhood, it can generate significant benefits for small businesses and residents who gain new sources of income. Accordingly, communities have begun to revise these restrictive policies to allow for occasional home sharing. For example, **Jersey City** has made home sharing legal as an “accessory use” in all zoning districts where residential use is permitted. Hosts are not required to register or obtain a business license, except for those who offer more than five dwelling units. This type of zoning reform can ensure that home sharing is allowed to thrive in all neighborhoods.

Using home sharing to open more communities to travelers

Travelers often struggle to visit communities that lack affordable accommodations. Increasingly, public officials are recognizing the potential for home sharing to democratize travel and ensure that working families can visit destinations that might otherwise be out of reach. For example, the **California** Coastal Commission (CCC) went on record in support of sensible short-term vacation rental policies, convinced that home sharing provides a more affordable way for many travelers, including groups and families, to visit expensive beach communities. The CCC has found that prohibiting such rentals in some cases would limit lodging opportunities for coastal visitors and ultimately discourage public access to beaches. For this reason, the CCC has worked with local governments to craft reasonable, balanced rules that address affordable housing issues while still leaving room for regulation in residential and other zoning districts.

Supporting landlords and property owners

We understand the importance of involving landlords in home sharing activity taking place on their properties. Airbnb’s Friendly Buildings Program brings building owners and landlords to the table with their tenants, and with us, to enable home sharing on their properties under rules they help create. The program is an option for long-term tenants only and is designed to support only people who share the home in which they live, and within those properties, only for housing units that rent at market rates.

Under this program, the rules landlords and owners establish can address which units in a building can be shared, for how long, and other booking details. In return, owners receive a mutually agreed upon portion of the revenue. Since the program's debut, owners typically have received between 5 percent and 15 percent of their tenant-hosts' earnings through the program. Some buildings choose to use this revenue to lower maintenance or other costs that benefit all tenants.

Once all parties agree to the rules, eligible tenants can sign up for their respective buildings' programs through the Airbnb platform. We provide the landlords with regular reports and handle the distribution of revenue to the landlords in the same way we do for hosts. We also collect and remit taxes where local laws permit.

In the interest of engaging transparently with our landlord partners, our regular reports to participating landlords contain select information on Airbnb activity in their buildings, including activity taking part outside the Friendly Buildings Program. However, in keeping with our commitment to protect our community's privacy and security, we do not provide personally identifiable information about our hosts.

The Airbnb Friendly Buildings Program is just getting started. We are especially mindful at this early stage of the need for fair, easy-to-understand guidelines for participation. In 2016, we debuted the program with pilots in the US cities of **Nashville, Philadelphia, and San Jose.**

We look forward to expanding this program and to working with local government officials and landlords to design legal frameworks that support home sharing in their communities.

Being a good neighbor

The overwhelming majority of hosts and guests are good neighbors who respect the communities where they live and visit, but we want to be responsive in case something goes wrong. Developed in consultation with hosts, guests and neighbors, our Neighbors Tool makes it easy for people living near Airbnb listings to reach us so we can help hosts with small issues before they become big problems. When a neighbor reports an issue at a listing, such as a noise complaint, we reach out to the host to give them an opportunity to address the problem.

The small number of bad actors who repeatedly fail to address complaints or live up to our standards and expectations may be permanently banned from the Airbnb community. The number of complaints is just one factor we consider. In some cases, one complaint is one too many, while other situations could be different. Airbnb reviews every inquiry and if we find a violation of our policies, we notify the hosts and take appropriate action.

Preventing party houses and unwelcome hostels, and preserving quality of life

Some listings on Airbnb are traditional hostels. Others are ideal venues for large events. These types of listings are often appropriate for our community, and their hosts and guests are often good neighbors. However, if a listing is unsafe, disturbs the community, or violates Airbnb's Standards and Expectations, we will remove it from our platform. We have taken proactive action in cities around the world against

listings that had the potential to cause quality-of-life issues, or that did not fit with the expectations of our community. In **San Francisco**, for example, we proactively removed 300 shared-space listings that were determined to present the exact type of nuisance outlined above, and in **Korea**, we will have removed 1,500 listings not in line with our community standards by the end of 2016. We can work with communities to help identify and address these types of listings as appropriate.



ACCOUNTABILITY.

While the popularity of home sharing continues to grow around the world, we recognize that certain communities may want to enact sensible limits that meet their needs. This can take many different forms. Generally, these types of regulations attempt to distinguish between amateur hosts who only occasionally share space and commercial hosts who offer space on a more frequent basis.

For example, many cities believe residents should be able to rent a room or a home occasionally, as most hosts do, but at a certain point, such as after 180 days or after operating a couple of listings, renting becomes a more commercial activity requiring additional regulation. Airbnb analysts are able to assist policymakers with identifying the point at which short-term rentals in a neighborhood generate more income than long-term rentals per year, which we believe could be an appropriate standard for such a cap. In other jurisdictions, officials believe there should be limits across the board, such as a cap on the number of nights an entire space can be shared. We work cooperatively with our local government partners as they consider and put in place a range of policies to try to ensure the rules are fair and clear. Policies for consideration include:

Limits on the number of nights

While most hosts share their homes only occasionally, some people choose to rent their space with greater frequency. Some jurisdictions have decided that entire-space listings should only be rented for a certain number of nights per year, or should have an additional set of regulations when they are shared more frequently. In **San Jose**, for example, hosts can list as often as they want when they are at home, and for 180 nights if they are not home at the time of the rental.

In some other communities, hosts are required to register with the jurisdiction only after they have shared their home for a certain number of days within a calendar year. This allows for anyone to host on the infrequent occasions when they are gone, and also provides officials with information on those who rent their home frequently.

Residents of **Philadelphia** may share their homes for up to 90 days per year without registering, regardless of whether they own, rent or have multiple properties. After the initial 90-day allowance, hosts must seek permits from the city to share their homes between 91 and 180 days per year. A Commercial Activity License is required for hosts looking to rent their homes for more than 180 days per calendar year, or who are trying to rent a property that is not a primary residence.

In **London**, hosts are free to share their homes for up to 90 days per year without this being considered a “change of use” requiring planning permission. This includes entire-home listings. After 90 days, a “change of use” sets in and requires planning permission. In **Amsterdam**, entire homes may be listed for up to 60 days per year. In **France**, some cities have a limit of 120 days per year, beyond which they require “change of use” permission for hosting in non-primary residences. In **Strasbourg**, **Lyon** and **Nice**, we are working with city authorities to notify hosts about applicable thresholds, along with information about how to apply for the relevant permissions.

Special rules for rent-stabilized and social housing

Subsidized housing plays a critical role in keeping our cities affordable. In some communities, a portion of the housing supply is rent-controlled or rent-stabilized. We believe in strong laws that protect this housing and ensure that people are not unfairly taking advantage of the system. At the same time, residents in these housing units often depend on the additional income from home sharing, and local officials have considered proposals that would prevent a resident from earning more than his or her monthly rent or mortgage through home sharing. Finding a balance that allows people to stay in their homes while not unfairly profiting is an important part of making sure the benefits of home sharing are available to all residents.

Regulations on the number of listings

Some cities have rules regarding how many listings a host can have.

Some cities require extra steps to be taken by hosts with more than one listing, and some cities place limits on the overall number of listings a host can share.

- **Requiring permits after a certain number of listings**

Under this approach, hosts are required to register with the jurisdiction based on the number of local listings they maintain on home sharing platforms. **Jersey City** hosts, for example, are only required to register with the city after listing more than five units. When a host exceeds the limit, he or she is treated as a professional and must get the appropriate business licenses and meet zoning requirements. In Europe, similar rules are in effect in **Milan** and **Vienna**.

- **“One Host, One Home”**

In two cities with uniquely constricted housing supplies, **San Francisco** and **New York**, Airbnb has instituted a “One Host, One Home” policy limiting hosts from sharing listings at more than one address. Exemptions exist for traditional B&Bs and other traditional hospitality providers. Both cities are facing affordable housing challenges that are rooted in policy and land use decisions made long before the internet or Airbnb were created. For example, housing prices in New York increased by 250 percent from 1974 to 2006.

Registration

While we firmly believe that all residents should be able to share their homes without complicated permits or licenses, some thoughtfully targeted registration programs have the potential to provide critical information to local governments while not posing undue burdens on regular people who share their homes. We have learned that if a locality decides to enact a registration system, there are ways to ensure it works for both administrators and hosts.

- **A simple, online process**

People understandably are wary of registering with the government in order to simply rent their homes on occasion. Making the system simple and easily accessible as an online form is critical to getting people to support and comply with these rules. The system of online notification in **Portugal** has been very successful in this respect, and we have worked closely with the national government to communicate with our community there.

- **Automatic or interim approval**

The European Commission already has proposed that the act of applying for registration should equate to approval. Automatic approval is a simple process for hosts and a time- and cost-saving practice for administrators. We know local administrators can have a hard time processing the high volume of applications. At the same time, we believe hosts should be permitted to share their homes while their applications are being processed or obtain approval without delay. An alternative to automatic approval can be interim approval.

- **Pass-through registration**

Under some circumstances, Airbnb will work directly with a city in order to help facilitate the registration process. In **Chicago**, Airbnb is working with city leaders to provide or “pass through” to administrators the information required to register new hosts. This is an exception to our usual approach in which individual hosts are responsible for registering and securing any necessary licenses so their personal information is communicated directly to the jurisdiction, rather than via Airbnb. Pass-through registration can be difficult to implement, requiring significant technical cooperation between a city and a home sharing platform to share data regarding individual hosts.

Fighting discrimination

Discrimination is antithetical to our mission of helping people belong anywhere. In September, we introduced a set of new policies to help fight bias. The new initiatives include changes to Airbnb’s own hiring, training, and customer service practices as well as changes that will help identify and remove anyone who violates our stronger non-discrimination policy. As of November 1, Airbnb hosts and guests must agree to treat everyone in the community with respect and without judgment or bias, regardless of race, religion, national origin, ethnicity, disability, sex, gender identity, sexual orientation or age. Airbnb also has created a permanent team of engineers, data scientists, researchers and designers whose sole purpose is to advance belonging and inclusion, and to root out bias. We also are working to expand the use of Instant Book. Anyone who violates our policies may be immediately and permanently banned from using Airbnb.

Three strikes and you're out

In 2016, as part of a push for comprehensive home sharing reform, Airbnb proposed a “three strikes” policy barring US hosts in **New York** and **San Francisco** from using our platform if they are cited by law enforcement for violating home sharing rules or other restrictions that are intended to preserve neighbors’ quality of life. Under this policy, hosts who are repeatedly fined or punished by state, local or federal law enforcement authorities will be permanently banned from using Airbnb. We are eager to explore the feasibility of implementing this policy in other markets.

Keeping bad actors off the platform

When a host or a listing does not meet our community’s standards, Airbnb removes them from our platform. We have invested engineering and other resources to develop means of detecting bad actors who try to circumvent our policies. In October, Airbnb began testing an automated enforcement tool that uses machine-learning technologies to help ensure removed listings are not re-posted on the platform. The tool enhances existing technology and support services that focus on preventing people who have been banned from Airbnb from returning to the Airbnb community, and is just one example of how we are applying technology to promote responsible home sharing.

Treating all people-to-people platforms equally

The global home sharing community ultimately is people-to-people, facilitated by Airbnb and a range of other online and offline services. While Airbnb has made home sharing simpler and easier to arrange from a distance, people have been sharing their homes for centuries, and for many years through other companies.

Rules for home sharing should apply to all of these services that promote home sharing and be platform-agnostic, whether or not they collect fees and process transactions. Local laws should not offer unfair advantages or disadvantages to one platform over another.

More importantly, creating rules that apply to just one website or service will only direct illegal or unwanted behavior to other, unregulated online or offline sites. Platform-agnostic rules are the key to creating local home sharing communities that are safe, fair, mutually respectful, and beneficial for all involved.



TRANSPARENCY AND PRIVACY.

At Airbnb, we believe in standing up for our host community. This includes making every effort to protect the privacy and personal information of our users. At the same time, Airbnb is committed to working with local law enforcement to keep our communities safe, and to providing government officials with data they need to make informed decisions about home sharing policies.

Annual Transparency Report

In September, we released our first annual Transparency Report, providing insight into the number and kinds of requests we receive from law enforcement, the sources of the inquiries, and how often we respond to them. The report includes emergency requests for user information where law enforcement indicated that the physical safety of a host, guest, or a member of the public may have been at risk.

Requests and our response rates are broken down by type and country. The inaugural report, covering the first six months of 2016, shows 31 million guest arrivals and just 188 requests from law enforcement. We will be releasing these Transparency Reports yearly.

Anonymized data sharing

Airbnb has established principles to provide anonymized data about our community to officials to help inform home sharing policies, and to give them visibility into the scope of home sharing participation and its economic, social and environmental impact. We have committed to release information about our community in cities and countries where we have a large presence. In our Community Compact, announced in November 2015, we pledged to share the following types of data:

- **The total annual economic activity generated by the Airbnb community in the city**
- **The amount of income earned by a typical Airbnb host in the city**
- **The geographic distribution of Airbnb listings in the city**
- **The number of hosts who avoided eviction or foreclosure by sharing their home on Airbnb**
- **The percentage of Airbnb hosts who are sharing their permanent homes**
- **The number of days a typical listing is rented on Airbnb**
- **The total number of Airbnb guests who visited**
- **The average number of guests per listing**
- **The average number of days guests stay**
- **The safety record of Airbnb listings**

This data has been released in geographies around the world, and is collected on our [Community Compact Data Dashboard](#).

Working with cities

Beyond our Compact commitment, Airbnb works with local governments to provide additional data to help inform policy making decisions. To fulfill our responsibility to uphold user privacy, this shared data typically takes the form of aggregated totals depicting hosting behavior at the neighborhood level. As an example, in **New York**, we have released data for each of the city's more than 200 [Neighborhood Tabulation Areas](#). In other cities, shared data may include additional metrics that are specific to a city's unique policy concerns, such as [growth rates, guest country of origin, and counts of hosts with multiple listings in Vancouver](#). We should note that many local governments and individual agencies also have their own rules in place to protect their citizens' privacy when working with their data.

Better information about listings

On Airbnb, you can find a house, an apartment, or even a lighthouse or a yurt. As Airbnb continues to grow—both in terms of volume of listings and the diversity of homes available—we will organize listings in ways that make it as easy as possible for guests to book exactly what they are looking for. Here are the steps we are taking:

- Hosts often are renting a room in their home, but some hosts may travel frequently and rely on a friend, relative, or neighbor to help them manage their listing. Additionally, in traditional vacation destinations such as beach or ski communities, local property managers may work with many property owners. This can create confusion for guests who want to know what to expect when they arrive. To solve this challenge, hosts will have opportunities to add more information to their listings, including information about any manager who will be overseeing a listing during a guest's stay.
- Most of the listings on Airbnb are hosts' personal spaces, which means they contain personal furnishings and belongings. We know many Airbnb guests are looking for accommodations that include these personal touches. To make sure guests know what to expect in the spaces they are booking, we will ask hosts to specify whether their listings are personal homes or not.
- For years, traditional hospitality providers have listed their spaces on Airbnb. While we have long had a category for B&Bs, we have lacked other professional designations. In order to provide more clarity for guests, we will be asking hosts to classify themselves, as appropriate, as a B&B, hostel, nature lodge, serviced apartment or boutique hotel. Other categories may be available by country, such as a heritage hotel in India or a minsu in Taiwan. We want our hosts to help guests have unique and authentic experiences.
- Some hosts interact personally with their guests, which is an important part of the guest experience. We will soon begin asking hosts to specify whether they socialize with guests or not.

While collecting this information will take time, we believe this effort ultimately will help us provide more and better information about our community, with our usual privacy protections, to local governments around the world.

A closing note.

Airbnb is eager to work with officials at every level of government toward smart, forward-looking rules for home sharing. In just eight years, we have collaborated with hundreds of governments worldwide, with the result being the global policy framework outlined here.

Smart policymaking will allow home sharing to achieve its potential as a solution, not just for the everyday people who take part in it, but for the cities and other governments that stand to benefit from it. We look forward to starting discussions with other progressive leaders around the world who are considering how to create truly 21st-century rules.

APPENDIX #1: Progress in communities around the world (case studies)

Hundreds of cities and other jurisdictions around the world already have enacted smart, forward-looking rules for home sharing. While these policies may not be right for every locality, the experiences of these 10 communities can provide guidance for other public officials now considering home sharing rules, both to show the benefits of a holistic approach, and as examples of how various iterations of the policies can be knitted together to suit a specific community's needs:

AMSTERDAM, NETHERLANDS

ARIZONA STATE

CHICAGO, ILLINOIS

JERSEY CITY, NEW JERSEY

LONDON, UNITED KINGDOM

NEW SOUTH WALES, AUSTRALIA

PHILADELPHIA, PENNSYLVANIA

PORTUGAL

SAN JOSE, CALIFORNIA

TACOMA, WASHINGTON

Amsterdam, Netherlands

In 2014, the Amsterdam City Council approved a policy making it easier for local residents to share their primary residences. Airbnb and the city of Amsterdam subsequently entered into a Memorandum of Understanding to promote responsible home sharing, enforce rules against illegal hotels, and simplify the payment of tourist taxes, making Amsterdam the first European market to enter into Airbnb's Voluntary Collection Agreement. Amsterdam and Airbnb have since signed a new agreement that introduces new automated limits to ensure entire-home listings are not shared for more than 60 days. The new rules are an excellent example of how Airbnb and policymakers can work together to create innovative regulations that embrace the sharing economy and make cities better places to live and visit.

Policy highlights

- A new category of accommodation was created, called "Private Rental," which allows local residents to rent their residences for up to 60 days a year
- Short-term rentals are allowed only by those registered with the city as primary residents in each particular dwelling
- Hosts must ensure that units meet all fire and safety rules
- Airbnb collects all applicable bed and tourist taxes (an additional 5 percent)

About Airbnb in Amsterdam

17,000

Active listings

\$4,000

Average host income
(in USD)

3.2 nights

Average length of stay

83%

Entire home

17%

Private room

574,000

Total number of
guests in 2015

Arizona State

In 2016, Governor Doug Ducey signed SB1350 into law with bipartisan support. The law provides a framework for short-term rentals, including listings on home sharing platforms, that ensures residents have the right to rent out their homes, travelers have access to a wide array of accommodations, and states and municipalities can address the needs of their communities while securing predictable tax revenue.

Ordinance highlights

- Stops local governments from prohibiting residential short-term rentals
- Allows local governments to establish their own regulations pertaining to health and safety, noise, parking, traffic control and sanitation
- Requires that registration processes be simple, affordable, and easy to navigate, allowing owners and hosts to legally list their properties in a timely manner
- Prohibits arbitrary limits on the number of days a property can be rented, density limits by building type, or a differentiation between primary and secondary residences or hosted homes versus whole-home rentals
- Allows online platforms to collect and pay taxes at the state level, relieving homeowners of the need to file individually. Prior to SB1350, remitting taxes required homeowners to file separate paperwork every month to both the Arizona Department of Revenue and the city. SB1350 set up a simplified tax reporting system in which short-term rental platforms have the opportunity to form an agreement with the Department of Revenue to collect and remit state and local taxes on behalf of all hosts who list on that platform. The Department of Revenue then distributes the relevant portion of the taxes to the city.

About Airbnb in Arizona

10,000

Active listings

\$4,800

Average host income
(in USD)

3.6 nights

Average length of stay

72%

Entire home

28%

Private room

269,000

Total number of
guests in 2015

Chicago, Illinois

In June 2016, Mayor Rahm Emanuel signed an amendment to Section 2-25-050 of the Municipal Code of Chicago, which was passed with overwhelming support by the Chicago City Council. The new ordinance put forth new, progressive rules for short-term rentals featuring no restrictions on the number of nights that Airbnb hosts can share a room or their entire house, an easy registration system, and new taxes and fees on Airbnb reservations in the city.

Ordinance highlights

- No restrictions on number of nights a listing can be used for short-term rentals, both for hosted and un-hosted stays
- No limits on the number of listings a host can have in the city
- Easy, streamlined registration that protects the privacy and personal information of Airbnb hosts while allowing the city to enforce the terms of the ordinance
- Limits number of listings in multi-unit buildings to 25 percent of the listings or no more than six units, whichever is less
- Features a 4-percent tax on each rental to fund services for the homeless

About Airbnb in Chicago

8,000

Active listings

\$3,800

Average host income
(in USD)

3.4 nights

Average length of stay

62%

Entire home

38%

Private room

356,000

Total number of
guests in 2015

Jersey City, New Jersey

In October 2015, Airbnb worked with elected officials in Jersey City to enact comprehensive regulations to permit short-term rentals, e.g., a unit rented out for less than 30 consecutive days. A key component of this effort was Airbnb's agreement to collect and remit taxes on behalf of hosts and guests. According to city leaders at the time, by legalizing home sharing and partnering with us, Jersey City would earn an additional \$600,000 to \$1 million annually on the more than 300 Airbnb listings in the city. Our host community has since grown to 900 active hosts and our engagement in Jersey City remains one of the most mutually beneficial in the United States.

Ordinance highlights

- Short-term rentals are permitted as an accessory use in all zoning districts where residential use is permitted
- Hosts offering an accessory dwelling unit (ADU) for short-term rental use must be the owner/lessee of the residence in which the home sharing activity occurs
- No person offering short-term rentals shall be required to obtain any license unless they offer more than five separate listings in the city
- Hosts who offer five or more listings must obtain a license for each dwelling unit
- Hosts ensure no sign identifying the listings and no identification of listings on any mailboxes
- Hosts agree the bookings will be conducted in a manner that does not disrupt the residential character of the neighborhoods

About Airbnb in Jersey City

2,000

Active listings

\$4,800

Average host income
(in USD)

5.1 nights

Average length of stay

60%

Entire home

36%

Private room

26,000

Total number of
guests in 2015

London, United Kingdom

In March 2015, new national legislation was enacted to reform 1970s-era legislation regulating short-term rentals in the capital. Now, Londoners are able to share their homes with guests from all over the world, just as residents in the rest of the United Kingdom are able to do. These reforms help local hosts meet the cost of living in one of the most expensive cities in the world. Airbnb also has announced new automated limits to ensure that entire homes in London are not shared for more than 90 days without permission, to ensure that home sharing grows responsibly and sustainably.

Policy highlights

- Hosts in London can share their homes for up to 90 days per year without this being considered a “change of use” requiring planning permission
- Hosts across the UK are able to earn up to £7,500 per year from renting part of their primary residence - or £1,000 from renting their whole home - without having to pay income taxes on it
- Simple, proportionate fire safety measures apply across the UK

About Airbnb in London

36,000

Active listings

\$5,200

Average host income
(in USD)

4.4 nights

Average length of stay

52%

Entire home

47%

Private room

1,106,000

Total number of
guests in 2015

New South Wales, Australia

The New South Wales Parliament has completed an 18-month review of its laws and has recommended that the government embrace Airbnb and adopt new rules that would make home sharing of a primary place of residence completely “exempt” (meaning, legal and without any process requirements at all). The rules also will support home sharing of non-primary residences as “permissible” with some streamlined minimum processes. The government also has found claims of significant noise or nuisance issues to be very small in number, and has rejected giving building managers powers to ban home sharing. We expect the New South Wales government will adopt these recommendations in the coming months.

Proposed ordinance highlights

- Under the proposals, hosts who list their primary residences (the homes in which they live) will be exempt from any regulation or requirement to adhere to caps, registrations or fees; whether they are listing a private room or an entire home
- The proposals suggest that some “light-touch” regulation should be imposed for investment properties and hosts with multiple properties
- At this writing, the proposals are under review by the New South Wales government. Ministers with relevant oversight will then make a final decision on the rules and recommend a bill to Parliament to enact as law

About Airbnb in New South Wales

26,000

Active listings

\$3,200

Average host income (in USD)

4 nights

Average length of stay

66%

Entire home

34%

Private room

502,000

Total number of guests in 2015

Philadelphia, Pennsylvania

In preparation for Pope Francis' first US visit in late 2015 and the Democratic National Convention in summer 2016, Philadelphia sought solutions to accommodate the influx of thousands of guests to the city. In June 2015, Philadelphia became the largest US city to embrace short-term rentals by passing legislation that allows all residents to share their homes for up to half a year. This brought more guests to Philadelphia, increased local spending, and drove additional tax revenue to the city. The law took effect in July 2015.

Ordinance highlights

- Hosts can share a primary home for up to 180 days
- Anyone can share their home for up to 90 days per year regardless of whether they are an owner or renter, and regardless of how many listings they have. After 90 days rented in a given year, they must get a permit from the city
- Shared properties must remain residences, with guest lodging a secondary use
- Hosts must maintain records for one year and make them available to the city
- Hosts must provide contact information to lodgers for the purpose of responding to complaints
- Hosts are responsible for notifying their guests of trash and recycling directions
- Units must be equipped with carbon monoxide detectors and fire alarms
- Units are prohibited from displaying accessory signs and guests are not to disrupt the community with excessive noise
- The tax component of the ordinance allows a booking agent such as Airbnb to collect and remit taxes. This includes the 6-percent Hotel Room Tax, the Local Sales Tax which is 1 percent of the listing price, including any fees, and the Philadelphia Hospitality Promotion Tax, which is 8.5 percent of the listing price including any fees

About Airbnb in Philadelphia

8,000

Active listings

\$4,700

Average host income (in USD)

2.9 nights

Average length of stay

68%

Entire home

31%

Private room

102,000

Total number of guests in 2015

Portugal

The Portuguese government used a comprehensive review of their tourism laws as a way to clarify and simplify rules for all kinds of short-term rentals in the country. People in Portugal can share their homes via a simple and online notification process, which works as simply for someone renting out a vacation home in a coastal resort as it does for someone renting out a spare bedroom in the center of Porto. The regulations are uniform across the country, putting an end to uncertainty for hosts about what kind of activity is permitted where. The taxes that apply to home sharing also were made clearer and easier to pay to the government.

Ordinance highlights

- Straightforward online registration system allows home sharing to thrive
- To preserve the new simplified structure, municipalities are not allowed to impose further obligations than specified in the national law
- Airbnb collects the Tourist Tax on behalf of hosts in the City of Lisbon

About Airbnb in Portugal

51,000

Active listings

\$3,600

Average host income (in USD)

4.3 nights

Average length of stay

78%

Entire home

21%

Private room

899,000

Total number of guests in 2015

San Jose, California

In December 2014, San Jose adopted comprehensive home sharing regulations allowing primary residents in all residential and mixed-use zoning districts to host in short-term rentals for up to 180 days if they are not physically present during the rental ('unhosted'), or without limitation if they share a portion of their residence while they are physically present ('hosted'). The Council focused on developing rules which were simple for residents to follow, provide recourse for residents and community members in case of nuisances, and do not require the city to establish a new enforcement bureaucracy due to minimal evidence of actual community concerns or complaints.

Ordinance highlights

- Authorizes "incidental transient occupancy" as an allowed use in one-family, two-family or multiple family dwellings, mobile homes, live/work units, secondary dwellings and guest houses
- Allows short-term rentals as an incidental use of properties and does not impose any registration requirements
- Caps annual number of nights at 180 days per calendar year with no host present, and no cap with host present
- Parking requirements by dwelling type
- Transient Occupancy Tax collection and remittance
- Record-keeping requirements for hosts

About Airbnb in San Jose

1,900

Active listings

\$6,000

Average host income
(in USD)

5.2 nights

Average length of stay

48%

Entire home

45%

Private room

25,000

Total number of
guests in 2015

Tacoma, Washington

In August 2016, the Tacoma City Council accepted the recommendation of the city's Planning Commission to legalize short-term rentals, which had until then been unregulated. The new law allows residents to rent their entire home and up to nine rooms.

Ordinance highlights

- Home sharing of one or two rooms is permitted in all residential zones
- Short-term rentals of three to nine rooms are conditionally permitted in the following zones:
 - Two-family dwelling
 - Multiple-family dwelling
- Entire-home listings are permitted in all districts
- Home sharing is permitted in all commercial districts and in most mixed-use districts
- All listings must have an owner living on-site, and post a printed sign relating to fire safety, along with smoke and carbon monoxide detectors
- Occupancy is limited to building code. Accessory dwelling units may be used as listings

About Airbnb in Tacoma

381

Active listings

\$7,000

Average host income
(in USD)

3.6 nights

Average length of stay

60%

Entire home

39%

Private room

9,000

Total number of
guests in 2015

APPENDIX #2: Progress in communities around the world (directory)

Local governments around the world have embraced home sharing for the economic and other benefits it brings. The list below names hundreds of jurisdictions where we have established agreements to collect and remit taxes, or which have otherwise established or maintained smart rules for home sharing:

1. Ajaccio, France
2. Alabama State
3. Allegheny County, Pennsylvania
4. Amsterdam, Netherlands
5. Anchorage, Alaska
6. Annecy, France
7. Antibes, France
8. Arizona State
9. Asheville, North Carolina
10. Aruba
11. Avignon, France
12. Austin, Texas
13. Beaverton, Oregon
14. Bend, Oregon
15. Biarritz, France
16. Bordeaux, France
17. Boulder, Colorado
18. Brevard County, Florida
19. Cannes, France
20. Cathedral City, California
21. Chamonix-Mont-Blanc, France
22. Chattanooga, Tennessee
23. Chicago, Illinois
24. Chongqing, China
25. Cleveland, Ohio
26. Colima, Mexico
27. Colorado Springs, Colorado
28. Connecticut State
29. Cook County, Illinois
30. Copenhagen, Denmark
31. Cottage Grove, Oregon
32. Cuba

33. Cuyahoga County, Ohio
34. Dana Point, California
35. Delaware County, New York
36. Denver, Colorado
37. Desert Hot Springs, California
38. District of Columbia
39. Easton, Maryland
40. Eugene, Oregon
41. Essex County, New York
42. Florence, Oregon
43. Florida State
44. Franklin County, New York
45. Gearhart, Oregon
46. Golden, Colorado
47. Guangzhou, China
48. Hamburg, Germany
49. Hernando County, Florida
50. Holland, Michigan
51. Humboldt County, California
52. Hurricane, Utah
53. Illinois State
54. India
55. Indian River County, Florida
56. Indio, California
57. Jackson, Wyoming
58. Jersey City, New Jersey
59. Lake Havasu City, Arizona
60. La Quinta, California
61. La Rochelle, France
62. Lane County, Oregon
63. Lee County, Florida
64. Lille, France
65. Lisbon, Portugal
66. Lombardy, Italy
67. Louisiana State
68. Louisville, Kentucky
69. Los Angeles, California
70. London, United Kingdom
71. Lyon, France
72. Malibu, California
73. Mammoth Lakes, California
74. Marseille, France
75. Memphis, Tennessee

76. Milan, Italy
77. Montgomery County, Maryland
78. Montpellier, France
79. Mountain View, California
80. Multnomah County, Oregon
81. Nantes, France
82. Nevada City, California
83. New Orleans, Louisiana
84. New South Wales, Australia
85. Orange County, Florida
86. Santa Cruz County, California
87. Shenzhen, China
88. Steamboat Springs, Colorado
89. St. Lawrence County, New York
90. Sullivan County, New York
91. Tallahassee, Florida
92. Tompkins County, New York
93. Trinidad, California
94. Tuolumne County, California
95. Nice, France
96. North Carolina State (as well as 150 individual local tax jurisdictions in North Carolina)
97. Oak Park, Illinois
98. Oakland, California
99. Oregon
100. Orlando, Florida
101. Palm Desert, California
102. Palo Alto, California
103. Paris, France
104. Philadelphia, Pennsylvania
105. Pennsylvania State
106. Phoenix, Arizona
107. Pinellas County, Florida
108. Portland, Oregon
109. Putnam County, Florida
110. Rancho Mirage, California
111. Rhode Island State
112. Rockland, Maine
113. Sacramento, California
114. Saint Helena, California
115. Saint-Malo, France
116. San Diego, California
117. San Jose, California

118. San Luis Obispo County, California
119. Santa Clara, California
120. Santa Cruz County, California
121. Santa Fe, New Mexico
122. Santa Monica, California
123. Santa Rosa County, Florida
124. Shanghai, China
125. South Carolina State
126. Springfield, Oregon
127. Strasbourg, France
128. Taylor County, Florida
129. Tallahassee, Florida
130. Taiwan
131. Taos, New Mexico
132. Toulouse, France
133. Utah State
134. Vermont State
135. Waco, Texas
136. Washington State
137. Washington County, Oregon
138. Washoe County, Nevada
139. West Lake Hills, Texas
140. Woodfin, North Carolina



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