



# ULSTER COUNTY OFFICE OF THE COMPTROLLER

## Short-Term Rental Tax Compliance Snapshot

Released March 2023  
 comptroller.ulstercountyny.gov

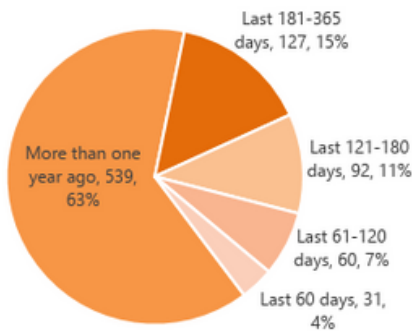
In 2020, the Comptroller's Office audited the occupancy tax revenue collections of short-term rentals. The audit found a substantial lack of compliance with Ulster County's Occupancy Tax Law. As a result, on October 21, 2020, Ulster County entered into a voluntary collection agreement with Airbnb to collect the taxes at the point of sale.

Occupancy tax collections have increased substantially over the last few years as a result of increased visitation that burgeoned during the pandemic, increased short-term rental units put on the market in Ulster County, and the agreement with Airbnb for them to collect taxes directly.

Ulster County also engages in a fee for services contract relationship with Host Compliance, a subsidiary of Granicus, for a service that monitors online short-term rental activity in Ulster and makes that information available to Ulster County for enforcement purposes. We analyzed non-compliant properties as of March 2023 through the Host Compliance platform.

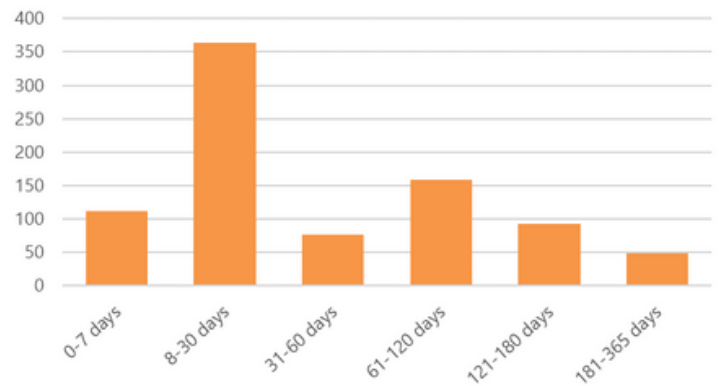
Ulster County Occupancy Tax Collections			
Year	Budget	Actual	% Change in Actual
2013	1,000,000	\$1,182,178	6%
2014	1,200,000	\$1,196,771	1%
2015	1,200,000	\$1,310,887	10%
2016	1,260,000	\$1,404,744	7%
2017	1,350,000	\$1,530,160	9%
2018	1,425,000	\$1,805,747	18%
2019	1,700,342	\$2,032,778	13%
2020	2,185,000	\$1,691,458	-17%
2021	2,000,000	\$3,357,322	98%
2022	2,875,000	\$3,632,993	8%
2023	3,150,000		

Non-Compliant Rental First Identified



Many of the rental units (63%) identified as non-compliant were first identified over one year ago.

Last Known Stay of Non-Compliant Rentals



Of the 948 non-compliant short-term rentals identified, 852 had rented within the last year and over 58% of them had rented within the last 60 days.

### Platforms other than Airbnb identified with non-compliant rental units:



According to Host Compliance, foregone 2022 revenues from non-compliant short-term rentals could be sizeable. Estimating revenues is not an exact science. Host Compliance estimates that lost revenues resulting from non-compliant short-term rentals listing and booking on platforms other than Airbnb is at least \$65,000 and could be more than \$1,060,000.

### Conclusion and Recommendations:

Ulster County is forgoing revenue for short-term rentals that book through platforms other than Airbnb and fail to register with the County to pay occupancy tax. The County should step up enforcement of non-compliant properties by pursuing those properties individually and levying penalties where appropriate. Compliance responsibility has been conducted through letters sent from the Department of Finance on a sporadic basis. The County should consider contracting for the compliance to ensure that any property listed on a short-term rental platform receives a compliance letter requiring registration for occupancy tax and follow up. Furthermore, if other short-term rental platforms offer voluntary collection agreements, Ulster County should contract for point-of-sale tax collection and remittance.