

1 **ORDINANCE NO.**

2 **AN ORDINANCE AMENDING CITY CODE CHAPTER 11-2 RELATED TO**  
3 **HOTEL OCCUPANCY TAXES, SHORT-TERM RENTAL OPERATORS, AND**  
4 **SHORT-TERM RENTAL PLATFORMS.**

5 **BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

6 **PART 1.** City Code Section 11-2-1 (*Definitions*) is amended to add new definitions for  
7 “Platform” and “Short-Term Rental” to read:

8 (4) PLATFORM means a person that facilitates booking of short-term rentals  
9 and accepts payments on behalf of a short-term rental operator.

10 (5) SHORT-TERM RENTAL means the rental of a housing unit or a portion of  
11 a housing unit for periods of less than 30 consecutive days. This term does  
12 not include an extension for less than 30 consecutive days of a previously  
13 existing rental agreement of 30 consecutive days or more or a rental between  
14 the parties to the sale of that housing unit.

15 **PART 2.** City Code Section 11-2-3 (*Collection of Tax Generally*) is amended to add a  
16 new Subsection (C) to read:

17 **§ 11-2-3 COLLECTION OF TAX GENERALLY.**

18 (A) Except as provided in Subsection (C), a [A] person who owns, operates, manages,  
19 or controls a hotel or short-term rental or collects payment for the use or  
20 possession or for the right to the use or possession of a hotel room or short-term  
21 rental shall collect the tax levied by this chapter for the City.

22 (B) A person who collects the tax shall deposit the tax proceeds into ~~in~~ a separate  
23 liability account and may not use the tax proceeds for any purpose other than  
24 payment to the City.

25 (C) A platform who collects payment for the use or possession, or for the right to the  
26 use or possession, of a short-term rental shall collect the tax levied by this chapter  
27 for the City and on behalf of short-term rental operators who use the platform.

28 **PART 3.** City Code Section 11-2-4 (*Quarterly Reports; Payments*) is amended to amend  
29 Subsection (C) and to add new Subsections (F) and (G) to read:

30 **§ 11-2-4 QUARTERLY REPORTS; PAYMENTS.**

31 (A) A quarterly period under this section is based on the City's fiscal year, with the first  
32 quarter beginning on October 1 and ending on December 31.

- 33 (B) On or before the last day of the month following each quarterly period, a person  
34 required to collect the tax imposed under this chapter shall:
- 35 (1) file a written report with the department for that quarterly period, with a  
36 copy of the report for state hotel occupancy taxes required by Section  
37 156.151 (*Report and Payment*) of the Texas Tax Code for the same quarterly  
38 period; and
- 39 (2) pay the tax due for the quarter.
- 40 (C) A report under this section shall be in the form prescribed by the department and  
41 shall include:
- 42 (1) the total consideration paid for rooms or short-term rentals subject to the tax  
43 in the preceding quarter;
- 44 (2) the total amount of tax collected; and
- 45 (3) the total amount of tax exemptions granted.
- 46 (D) If requested by the department, a person responsible for collecting the tax shall  
47 provide the department with:
- 48 (1) the names, addresses, and identification relied upon to grant an exemption  
49 from the tax; and
- 50 (2) any other information the department may reasonably require.
- 51 (E) The department may request, and a person required to collect the tax shall provide  
52 within a reasonable time, additional documentation verifying the information  
53 contained in the report to the City.
- 54 (F) On or before the last day of the month following each quarterly period, a platform  
55 shall provide the department with a list of short-term rental license numbers for  
56 taxes collected during the quarter. A platform may include this information in the  
57 report required in Subsection (C).
- 58 (G) On or before the last day of the month following each quarterly period, a person  
59 who operates a short-term rental and uses a platform to collect payment for the use  
60 or possession, or for the right to the use or possession, of a short-term rental must  
61 provide the department with documentation that demonstrates how much hotel  
62 occupancy tax each platform collected on the person's behalf.

63 **PART 4.** This ordinance takes effect on June 1, 2025.

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**PASSED AND APPROVED**

\_\_\_\_\_, 2025

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Kirk Watson  
Mayor

**APPROVED:** \_\_\_\_\_

Deborah Thomas  
Interim City Attorney

**ATTEST:** \_\_\_\_\_

Myrna Rios  
City Clerk

DRAFT