



## Guide for Operating a Short-Term Rental (STR) in the City of Fort Collins

### The Basics:

- The City of Fort Collins requires dwelling units that rent for less than 30-days be licensed as a STR. The City recognizes both primary and non-primary STRs
- Primary STRs are occupied by the property owner for at least 9 months out of the year and have a portion of the dwelling unit rented for less than 30 days. This may include duplexes or carriage houses if located on the same property that is used as the primary residence
- Non-primary STRs are dwelling units that are not occupied by the owner. The owner rents the entire house for less than 30 days
- The initial STR license fee is \$150. Your STR license will need to be renewed each year, regardless of when you applied originally. The fee is not prorated. The renewal fee is \$100
- In addition to your STR license, you'll need to apply for a Sales and Lodging Tax License. Third party websites may collect City Sales Tax on your behalf, but they do not collect Lodging Tax. Sales and Lodging Tax Licenses do not need to be renewed
- The City of Fort Collins Sales Tax rate is 3.85% and Lodging is 3.0%. The taxes are collected based on the rate of the room. For example, if your customer pays \$100 for one night's stay, they'd pay \$3.85 Sales Tax and \$3 Lodging Tax, for a total of \$6.85 in tax
- Sales and Lodging Taxes can be filed and paid online using the [online portal](#)
  - If you do not have Sales Tax to remit, you must still file a zero-sales tax return. Failure to do so will result in a \$25 assessment fee
- If you fail to file and pay your Sales and Lodging Taxes each period, your STR license could be revoked and/or denied at renewal
- There are 3 tax filing frequencies for STRs:

<b>Monthly</b> – Appropriate if your sales are \$7,700 or more per month on your rental.	<b>Quarterly</b> – Appropriate if your sales are \$649 - \$7,699 per month on your rental.	<b>Annual</b> – Appropriate if your sales are \$648 or less per month on your rental.
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### FAQs:

- **Do I need to set up an LLC or a Federal Employer Identification Number (FEIN) for my STR?** No. This is not a requirement for the City. You can use your first and last name as the business name if you do not have an LLC or other business name set up. We recommend you contact the IRS, Larimer County, and the State of Colorado for their business requirements
- **What if I am in a zone that doesn't allow STRs?** You may consider long term renting (30 days or more). Please check for occupancy regulations [here](#)

- **Does the City of Fort Collins allow STRs in Multi Family Buildings, such as apartments or condos?** Only if the building meets the R1 building code requirements. Please contact the Building Department at 970-416-2757 to verify.
- **Can I rent to 2 parties at once?** No. You may only rent to one party at a time
- **What happens if I sell my property? Can my license be transferred?** No, however the new owner can apply for a STR license in their own name within 30 days of closing. If the property was grandfathered in, the new license must remain identical in scope to the original, and the new owner must meet the off-street parking requirements.
- **What are the OFF-STREET (example: driveway or garage) parking requirements?** See chart and examples below:

Number of Bedrooms Rented	Number of Off-Street Parking Spaces
1-2	1
3-4	2
5-6	3



## Now that you know the basics, here are the steps to apply for your licenses:

- ✓ **Step 1:** Verify you're in a zone that allows STRs [here](#) If yes, move on to step 2
- ✓ **Step 2:** Verify that your HOA (if applicable) covenants allow STRs. If yes, move on to next step
- ✓ **Step 3:** Call the Building Department at 970-416-2740 to make sure there are no expired building permits that need to be addressed. Expired permits can delay the process. If there are none, proceed to step 4
- ✓ **Step 4:** Gather these **required** documents:
  - Proof of Personal Liability Coverage (found in your homeowner's insurance)
  - For Primary STRs: A copy of your Driver's License, Car Registration, or Voter Registration to prove you reside at the property for at least 9 months out of the year
  - For Primary STRs: A signed STR License Annual Affidavit (found [here](#))
  - Proof of ownership (example: a print off from the Larimer County Assessor's Page. Only the owner of the property may operate a STR)
  - Self-Inspection Checklist (found [here](#))
  - Photos of the rental space

- ✓ **Step 5:** Visit our [online portal](#) to create an account
- ✓ **Step 6:** Apply for your Sales and Lodging Tax Licenses
- ✓ **Step 7:** Once your account is approved you will be able to apply for your STR License, upload the required documents listed above and pay the \$150 license fee

Once your applications have been submitted, they will be processed and sent to the zoning department for approval. You will receive confirmation emails when the licenses are approved. Processing time ranges from 7-10 business days.

When you receive your licenses, you may begin listing your home on sites like Airbnb and VRBO!

We hope you found this guide helpful! However, if you have further questions, feel free to contact us at 970.221.6780 or email at [afredericks@fcgov.com](mailto:afredericks@fcgov.com)