



Town of Nags Head
**Short-Term Rental
Registration**
Guidance & FAQ's

Planning and Development Department
5401 S. Croatan Highway
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Nags Head, NC 27959
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www.nagsheadnc.gov

What is a Short-Term Rental?

The Town of Nags Head allows residential Short-Term Rentals (also known as STR's and often referred to by the name of popular hosting companies, such as Airbnb or VRBO) within every zoning district. These Short-Term Rentals may be for a **whole house** or a **partial house**, defined as follow:

Short-term rental, whole house means the rental of an entire single-family dwelling to a group operating as one housekeeping unit for vacation, leisure, recreation, or other purposes for fewer than thirty (30) days.

Short-term rental, partial house means a resident occupied single-family dwelling that consists of the rental of up to two guest rooms for vacation, leisure, recreation, or other purposes for fewer than thirty (30) days. The partial house short-term rental should be subordinate and incidental to the principal residential use of the dwelling.

Please note, partial house Short-Term Rentals are limited to a maximum of two bedrooms; the rental of more than two bedrooms may constitute a bed and breakfast, which may or may not be allowed based on the zoning of the property, and only then with the issuance of a conditional use permit.

Registration Required

Operators/owners of Short-Term Rentals will need to register their Short-Term Rental unless exempt from registration. Registration is required annually and there is a registration fee of \$25 for each Short-Term Rental. In this first year, registration is not required until December 31, 2019; beginning in 2020 registration shall be completed by September 1st of each year.

The following lodging types and/or circumstances are exempt from registration:

- Lodging provided by hotels, motels, tourist camps, and other places subject to regulation under Chapter 72 of the North Carolina General Statutes.
- Rentals to persons having no other place of primary residence.
- Rentals for which no more than nominal consideration is given.
- Rentals that are managed by a real estate broker as defined in G.S. 93A-2(a)

Registration Process

A completed *Short-Term Rental Registration* form, provided by the Town of Nags Head, shall be completed in full and submitted to the Town's Planning & Development Department. A completed form with fee may submitted in person (Town Hall, 5401 S. Croatan Highway) or mailed (Town of Nags Head Planning & Development Department, PO Box 99, Nags Head, NC 27959); forms may also be emailed to Planningand@nagsheadnc.gov - registration of Short-Term Rentals submitted by email will be delayed until the required fee is received. Once received, a minimal review-time should be expected, but registrations should be processed within 5 business days.

The information on the following page should assist you in completing your *Short-Term Rental Registration* form. Please email any questions to Planning@nagsheadnc.gov or call 252-441-7016.

Do you have a partial house rental? Additional parking may be required.

Whole house Short-Term Rentals are not required to provide any additional parking beyond what is required for a single-family dwelling. Partial house Short-Term Rentals are required to provide one additional parking space beyond the minimum requirement for a single-family dwelling. Most single-family dwellings are required to provide parking based on the number of bedrooms, minus 2, with a minimum of 2 parking spaces; for example, both 3-bedroom and 4-bedroom homes would be required to provide 2 parking spaces, while a 5-bedroom home would be required to provide 3 parking spaces; if these homes were used as partial house Short-Term rentals, regardless of the number of bedrooms rented, one additional parking space would be required (3 parking spaces for the 3 and 4-bedroom homes, a 4 parking spaces for the 5-bedroom home).

Do you have liability insurance coverage in effect to operate the residential property as a short-term rental?

As part of the registration we ask that you disclose whether you do or do not have liability insurance coverage to operate the dwelling as a short-term rental. Coverage is not a requirement of registration; however, please consider that a standard homeowners' policy likely does not include liability coverage for this additional use of the property. If you have not already done so, please check with your insurance company to make sure you have the right coverage.

Vacation Rental Act Requirements

Your Short-Term Rental is likely subject to the requirements of the North Carolina Vacation Rental Act. We ask you to acknowledge that you are aware of this law. You may find more information on how this law relates to you and your property, as well as those renting your property, at the following link:

<https://www.ncdoj.gov/Consumer/Travel/Vacation-Rentals.aspx>

The Town is interested in making sure that properties operated as short-term rentals are maintained in a safe condition. The North Carolina Vacation Rental Act also includes minimum safety provisions that apply to these properties. These specific provisions can be found at the following link:

https://www.ncleg.gov/EnactedLegislation/Statutes/PDF/ByArticle/Chapter_42A/Article_5.pdf

Taxes

Operation of your Short-Term Rental is subject to taxes, including Occupancy and Sales taxes. Information on the Occupancy Tax, including how to report and pay the tax, is available from Dare County at the following link:

<https://www.darenc.com/departments/tax-department/occupancy-tax>

Information on State of North Carolina requirements to register, file, pay the Sales Tax is available at the following links:

<https://www.ncdor.gov/taxes-forms/sales-and-use-tax/sales-and-use-tax-registration>
AND <https://www.ncdor.gov/taxes-forms/sales-and-use-tax/filing-requirements>

Penalties - What happens if I don't register my Short-Term Rental?

Failure to register a property within 30 days of being offered for short-term residential rental shall result in a civil penalty in the amount of \$100. Each additional day the property is listed or operated as a short-term rental without registering shall result in a civil penalty of \$50 per day. The town may waive such penalty if the failure to register was due to no fault of the owner/operator. Until such time as the operator pays the penalty and registers such property, the operator may not continue to offer such property for short-term residential rental.