



City Reaches Voluntary Collection Agreement with HomeAway

Internet Company Begins Collecting City Sales Tax Starting March 1, 2020

STEAMBOAT SPRINGS, COLORADO—February 10, 2020—The City of Steamboat Springs has entered into a Voluntary Collection Agreement with HomeAway.com Inc, where the internet company will collect and remit city sales tax on behalf of its rental partners.

“I’d like to thank the city’s sales tax division for their efforts over the past four months in working with our sales tax customers after major changes were made to the Vrbo website that impacted the homeowners ability to collect and remit tax easily,” said Kim Weber, Finance Director for the City of Steamboat Springs. “Ultimately, these changes led to the decision to enter into this agreement.”

Beginning March 1, 2020, the new agreement means that any homeowner advertising through HomeAway (and its subsidiaries) is not responsible to collect and remit city sales tax.

Going forward, HomeAway will automatically collect city sales tax through its online process. This procedure is like the arrangement the city has in place with Airbnb, which went into effect in November 2016.

Based on information from AIRDNA, which tracks vacation rentals, there are 3,496 active rentals in the Steamboat Springs area with 20% of those properties listed through Vrbo, 32% on Airbnb and 47% listed on both sites. Rentals within the city are required to collect and remit 9.4% or 11.4% in sales tax depending on the location of the rental property. This tax is remitted to the city, county and state with 4.5% of that going to the city.

“Reaching this agreement streamlines the process for all involved and shifts the responsibility from several hundred to one entity,” continued Weber. “Now, with agreements in place for two of the larger vacation companies, the city is better positioned to ensure the community and property owners are in compliance.”

The HomeAway family consists of Vrbo, HomeAway.com, Homelidays.com as well as several international booking sites. Vrbo is part of Expedia Group and offers homeowners and property managers exposure to over 750 million visits to Expedia Group sites each month. While Airbnb is one of the world’s largest marketplaces for unique, authentic places to stay and things to do, offering over 7 million accommodations. Steamboat Springs was one of Airbnb’s eight most popular destinations in Colorado during the 2019 summer.

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