

## Steps to Start a Vacation Lodging Business:

- 1) **APPLY** with county officials for any necessary **ZONING CERTIFICATIONS** for short term rental properties in the area where your rental will be located.
- 2) If the property is located in a neighborhood with a Home Owner Association (HOA), REVIEW HOA RULES regarding vacation homes.
- 3) **CONSULT** with an Insurance Agent regarding **COMMERCIAL LIABILITY INSURANCE**. Home Owner's Insurance does not cover business activity.
- 4) DETERMINE if your BUSINESS STRUCTURE will be a Sole Proprietorship, a Corporation, or a Partnership.
- 5) If you decide on a Corporation or Partnership, **APPLY** online for an **EMPLOYER IDENTIFICATION NUMBER**. If you decide on a Sole Proprietorship, you will use your social security number.
- 6) Complete and SUBMIT a Virginia Department of Taxation BUSINESS REGISTRATION FORM (R-1).
  - · SALES TAX\* is 5.3% of gross sales and payable to the state monthly or quarterly based on revenue.
- 7) Contact the Commissioner of Revenue's office to obtain, complete, SUBMIT, and pay for a BUSINESS LICENSE.
- TRANSIENT OCCUPANCY TAX\* (TOT) is 5% of gross sales and payable to County of Greene payable by the 20<sup>th</sup> of each month ExploreGreene.com promotes all hospitality establishments that are in full compliance with local ordinances. Contact the Economic Development & Tourism department to be included on the website.

## Things to Consider

- · How comfortable are you with strangers in your home or on your property?
- · How will you react to critiques constructive or otherwise?
- · What type of renters do you want to attract...families, couples, groups?
- · How will you advertise & market the property?
- · What will your rates be (nightly, weekly, monthly)?
- · How will you accept payments and when will they be due?
- $\cdot$  What will be included in the rental agreement?
- · Who will be in charge of house-keeping and maintenance?
- · What procedure will be followed for gaining access to the property?
- · What amenities will be included?
- · Are there any Health Department regulations to be considered?

## <u>Information Sources</u>

Commissioner of Revenue	Economic Development &	Planning & Zoning	Virginia Department of
Office	Tourism	40 Celt Road	Taxation
15 Ford Avenue	8315 Seminole Trail, Suite 2	Stanardsville	1957 Westmoreland Street
Stanardsville	Ruckersville	434-985-5282	Richmond
434-985-5211	434-985-6663	planning@gcva.us	804-367-8037
pganoe@gcva.us	economic.development@gcva.us		www.tax.virginia.gov