

Zaletel

Submitted by: Assembly Vice Chair

Assembly Member Sulte

Assembly Member Volland

Prepared by: Assembly Counsel's Office

For reading: September 10, 2024

ANCHORAGE, ALASKA
AO No. 2024-81(S), As Amended

AN ORDINANCE OF THE ANCHORAGE MUNICIPAL ASSEMBLY AMENDING ANCHORAGE MUNICIPAL CODE SECTION 12.20.031 TO REQUIRE REGISTERED HOSTING PLATFORMS THAT COLLECT AND REMIT ROOM TAXES ON BEHALF OF OPERATORS OF SHORT-TERM RENTAL UNITS TO COLLECT AND REPORT CERTAIN INFORMATION WITH THEIR ROOM TAX RETURNS.

WHEREAS, Short-Term Rentals (STR) is a relatively new rental housing market that has grown exponentially in recent years through rental hosting platforms such as AirBnB, VRBO, and others; and

WHEREAS, the Municipality of Anchorage is facing a housing shortage and is working to increase housing supply in the Municipality through a variety of measures and Short Term Rentals have shown to be a factor in the housing crisis in some communities in the United States both for the positive and for the negative; and

WHEREAS, the Anchorage Assembly passed and approved AO 2023-110(S-1), As Amended, on March 19, 2024, by a vote of 7-5, intended to regulate STR's within the Municipality by requiring a license and insurance coverage, to ensure compliance with applicable provisions of Municipal Code for land use, fire, health and other regulations, but it was vetoed by the Mayor and no vote to override was taken; and

WHEREAS, there is a need to understand the STR market and its impact on the local housing market and inventory, and on the neighborhoods in which they operate by first gathering data from STR platform hosts; and

WHEREAS, Anchorage Municipal Code section 12.20.031 requires a hosting platform for STRs to register with the Finance Department to collect the Municipality's room tax and remit to the Department on behalf of all operators for which it provides that service, reporting it in an aggregate amount only; and

WHEREAS, in the past the registered hosting platforms have taken a position that identification of each individual operator using its service and their individual room rental and collection information is considered proprietary information by platform hosts and is not provided to the level required to understand the market and whether a problem exist; and

WHEREAS, records in the possession of the Municipality which are exempt from disclosure include “[p]roprietary information which a ... provider reasonably requires to be kept privileged or confidential to protect the property interests of persons providing the information or data” under AMC section 3.90.040G.; and

WHEREAS, it is the intent of this ordinance to require quantitative data informative of the number of individual STRs served by a hosting platform and other relevant information while protecting proprietary and confidential information; now, therefore,

THE ANCHORAGE ASSEMBLY ORDAINS:

Section 1. Anchorage Municipal Code section 12.20.031 is hereby amended to read as follows (*the remainder of the section is not affected and therefore not set out, unaffected subsections are included for context*):

12.20.031 Registered hosting platforms.

- A. *Registration, collection, and remittance required.* Every hosting platform that agrees to accept room rental payment from a guest pursuant to section 12.20.020, subject to exemption rules specified in section 12.20.031A.1., shall obtain a certificate of registration prior to offering services to operators subject to this chapter, and shall collect room tax and remit the tax to the department on behalf of all operators for which it provides this service.
- *** *** ***
- B. *Application.* Application for a certificate of registration shall be made to the chief fiscal officer on a form provided by the department containing such information as the department may require. There shall be no charge for issuing a certificate of registration.
- C. *Responsibilities.* An operator who uses a registered hosting platform as the sole method for renting or offering for rent a room shall not be subject to this chapter to the extent the registered hosting platform performs the responsibilities of an operator, with the exception of section 12.20.070, maintenance and inspection of records.
- *** *** ***
- G. A registered hosting platform shall submit tax returns and remit tax payments in accordance with sections 12.20.050 and 12.20.053, except that the tax return shall set forth or include the **aggregate [number of operators and rooms rented and]** [AGGREGATE] amounts of all rents earned by and taxes due from the operators who use the hosting platform to rent or offer to rent rooms through the

hosting platform~~[, aggregated by zipcode. The department may determine a different regional area designation than zipcode for the hosting platform's return]~~. To the extent a hosting platform collects taxes on behalf of an operator, the operator's liability for those taxes shall be deemed satisfied.

1. In addition to the foregoing tax return information, a registered hosting platform shall submit contemporaneously with the tax return a list of all rooms rented from operators who used the hosting platform to rent or offered to rent those rooms and for which the hosting platform collected taxes. Notwithstanding section 12.20.060, the statistical information derived from these supplemental room information reports is public. The supplemental room information submittal shall include:
 - a. the number of operators the taxes are submitted on behalf of.
 - b. for each room rented during the reporting period: the location information that is displayed on the public listing on the hosting platform, whether it is a room or an entire dwelling unit, and if an entire dwelling unit whether it is a single-family home, duplex, triplex, accessory dwelling unit, or multifamily construction.
 - i. The location information may be reported in an aggregated method by a geographic area delineation as determined by the chief fiscal officer.
 - c. presentation of the data required by a. and b. separately for each month in the tax reporting period.

- H. A registered hosting platform shall obtain and preserve evidence sufficient to support all room rental transactions subject to this chapter and all claimed exemptions from payment, collection, or remittance of the room taxes under this chapter in accordance with section 12.20.070. To the extent a hosting platform may assign anonymous account numbers to operators using the hosting platform, when inspecting records the department shall inspect the required records in an anonymized fashion, unless the department has obtained a release of information from the operator or an order to produce identifiable operator information issued through a binding legal process.

(AO No. 2016-66, § 2, 6-21-16 ; AO No. 2019-99(S) , § 1, 8-20-19)

Section 2. This ordinance shall be effective January 1, 2025.

PASSED AND APPROVED by the Anchorage Assembly this 10th day of
September, 2024.

ATTEST:

Chair

Municipal Clerk