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Airbnb and the city of Orinda reach tax collection agreement

By Nick Marnell

Starting Oct. 1, Airbnb, a website that lists residences and rooms for short-term rental, will collect and remit to the city of Orinda its 8.5 percent transient occupancy tax on all eligible bookings in the city. Guests will be charged the tax on the Airbnb bill and the company will make the payment to the city.

"This will be helpful, because otherwise, we would be dealing with each individual person," said Steve Salomon, Orinda interim city manager.

Orinda has long had the 8.5 percent TOT on its books but never posted guidelines for how residents could operate their short-term rental properties. The city adopted an ordinance effective Oct. 5 that requires registration and imposes rules on short-term rentals, including the number of people and rooms available for rent at one time, noise limits and parking regulations.

"We want to make sure these short-term rentals are acceptable to the neighbors," Salomon said. Though Airbnb is the only company that has agreed to collect the TOT, Salomon advised that the city will monitor all of the short-term rentals for compliance. He estimated that between 100 and 200 of the units exist in the city.

"We need to consider this as a revenue source," Salomon said, projecting between \$50,000 and \$100,000 in annual TOT receipts.

The city will publicize the new short-term rental regulations through its website and in its newsletter, and Salomon said there will be a grace period of 90 days before the city will charge a penalty on unremitted taxes.

"Orinda is a great option for business travelers and for families looking for affordable Bay Area accommodations and we look forward to continued work with the city to welcome more guests to the region," said Marisa Moret, Airbnb public policy manager, in a press release.

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