



Dear Short Term Rental licensee,

On January 18, 2023, Airbnb announced changes on their booking platform which will affect how STR taxes are collected and remitted. This change will be implemented on February 1, 2023 and affects STR license holders who have an active listing on Airbnb. Please make sure to read through this letter. You can find more details in the [AIRBNB communication](#) that was emailed on January 18, 2023 to all Airbnb account holders with a property in the Town of Frisco.

**Summary of AIRBNB changes effective 2/1/2023 and how this affects your STR reservations:**

- Airbnb will begin to collect and remit sales, lodging & STR excise taxes directly to Town of Frisco on reservations and stays that take place **AFTER 2/1/2023**. This means that STR owners must include all gross sales in line 1 of their tax returns with all other reservations booked for the period. Only the remitted portion of the gross sales on line 3a may be deducted.
  - Example: If someone makes a reservation on 02/02/2023 for a stay in December 2023 through AIRBNB, you must report these gross sales in your tax return on line 1 and then deduct this portion only using line 3a. AIRBNB will be collecting and remitting all taxes for this booking directly to the town.
- STR license holders are still responsible for collecting and remitting sales, lodging and STR excise taxes directly to the Town of Frisco for any Airbnb reservations that took place **BEFORE 2/1/2023**, even when the stay occurs **AFTER 2/1/2023**. All gross sales must be included on line 1 with all other reservations booked for the period. The STR licensee **MUST** pay sales, lodging and STR excise taxes to the Town for these bookings.
  - Example: If someone makes a reservation on 1/15/2023 for a stay in December 2023 through AIRBNB, you are still responsible for collecting and remitting sales, lodging and STR excise taxes directly to the Town of Frisco. All these gross sales must be included on line 1 of your tax return and CANNOT be deducted. You must remit taxes for this revenue. If you fail to collect the Town's taxes, per our ordinance, you as the STR owner are still liable for paying the taxes.
- Prior to submitting "Schedule A Tax Form", please pay attention to the reservations booking date of your gross sales to determine how much you can deduct using line 3a.
- In the print screen below, you can find an example of a tax return for February 2023. This owner had 2 bookings:
  - \$1500 is the total gross sales, which is the revenue from all the reservations for the month of February 2023
  - \$500 booked after 2/1/23 to stay during February 2023- Airbnb will collect and remit the Town's taxes for this portion, owner does not need to remit taxes.
  - \$1000 booked before 2/1/2023 to stay during February 2023, owner has to pay the Town's taxes for this portion.

# TOWN OF FRISCO

## SCHEDULE A - CERTIFICATION/SALES/COMPUTATION OF TAX

[010002]  
Town of Frisco Test Account  
1 E MAIN ST  
Frisco, CO  
j

Due: 03/20/2023 Current Time: 01/19/2023

SCHEDULE A - CERTIFICATION/SALES/COMPUTATION OF TAX			
1	GROSS SALES/SERVICE/GROSS RENTAL REVENUE (click for details) *		1500.00
2A	ADD - BAD DEBTS COLLECTED **		0.00
2B	TOTAL LINES 1 & 2A		
3A	SALES/SERVICE/RENTAL REVENUE FOR BOOKINGS MADE ON A MARKETPLACE FACILITOR PLATFORM (click for details)		500.00

- **Airbnb tax settings:** It is our understanding that all manually added taxes for the Town of Frisco will be disabled automatically by AIRBNB on 2/1/2023. If AIRBNB confirms with us how this will be handled, we will relay the information to all active AIRBNB users. It is every Short-Term Rental licensee's responsibility to check their tax settings on all listing platforms.
- Gross sales, service, and rental revenue is defined as all charges to the renter including all fees such as: cleaning fees, hosting fees, property manager fees, advertising fees, repair, etc.- there are NO allowable deductions for STRs.
- If you **only** list your STR on Airbnb, you are still required to file a tax return on GOVOS to remain compliant with your STR license.

For more details and guidance on how to manage your Short Term Rental, please visit our [Town of Frisco STR Taxes and Payments](#) website.

Please make sure to consult with AIRBNB customer support if you have questions ([automated@airbnb.com](mailto:automated@airbnb.com), [taxes@airbnb.com](mailto:taxes@airbnb.com)) and reference [AIRBNB communication changes effective February 1, 2023](#) that was emailed to you on January 18, 2023.

Sincerely,

STR Support Team



Mailing PO Box 4100, Frisco, CO 80443  
Physical 1 Main Street, Frisco, CO 80443  
Email [STRsupport@TownofFrisco.com](mailto:STRsupport@TownofFrisco.com)  
[FriscoGov.com](http://FriscoGov.com)  
[TownofFrisco.com](http://TownofFrisco.com)



