



Testimony of Airbnb before the Joint Budget Committee on Housing
New York State Legislature
Albany, New York
January 24, 2018

Airbnb strongly supports state legislation (A-7520/S-7182) that would extend sales and lodging taxes to all short-term rentals and authorize Airbnb and other online platforms to collect and remit taxes on behalf of our users.

This common sense solution would bring New York in line with dozens of states and hundreds of jurisdictions around the world that have worked with Airbnb to collect over \$500 million to support core public services-- from services for homeless individuals in Chicago, Los Angeles, and Seattle to affordable housing funding in Portland and New Orleans.¹

Right here in the Empire State, 18 counties have signed voluntary collection agreements (VCA) with Airbnb, securing nearly \$1.2 million, with more counties set to sign VCAs in the months to come.²

Airbnb projects that it would have collected and remitted over \$102 million in the year ending October 31, 2017, had it been authorized to collect and remit taxes that are collected by the New York State Department of Taxation and Finance and the New York City Department of Finance.³ This number does not include county-administered bed taxes or taxes potentially collected and remitted by other hosting platforms.

It is worth noting that even as Airbnb seeks authorization to pay taxes, multinational hotel corporations that are enjoying record profits nevertheless continue to demand and receive billions of dollars in tax subsidies,⁴ while “encourag[ing] officials not to collect taxes from Airbnb hosts so as not to legitimize short-term rentals .”⁵

Airbnb urges this committee-- and the Legislature writ large-- to support A-7520/S-7182, which would provide a recurring boost to the State budget, while fostering the economic opportunity of home sharing from Buffalo to Brooklyn.

¹ <https://www.americaninno.com/chicago/airbnb-says-it-has-generated-2-8m-in-taxes-to-help-chicagos-homeless/>; <https://la.curbed.com/2017/1/19/14330406/los-angeles-airbnb-taxes-homelessness-affordable-housing>.

² As of January 31, 2018, the following counties have signed voluntary collection agreements with Airbnb to automatically collect and remit county bed taxes: Cattaraugus, Cortland, Delaware, Dutchess, Essex, Franklin, Livingston, Monroe, Onondaga, Otsego, Rensselaer, Seneca, Schoharie, Schuyler, St. Lawrence, Sullivan, Tompkins, and Wyoming.

³ The New York City Department of Finance is responsible for collecting the New York City Hotel Room Occupancy Tax, while the New York State Department of Taxation and Finance is responsible for collecting sales taxes (imposed at both the state and local level), as well as the state hotel unit fee. See:

<http://www1.nyc.gov/site/finance/taxes/business-hotel-room-occupancy-tax.page>.

⁴ <https://www.airbnb.com/taxpayer-subsidies/>.

⁵ <https://www.nytimes.com/2017/04/16/technology/inside-the-hotel-industrys-plan-to-combat-airbnb.html>; <https://nypost.com/2014/04/14/airbnb-aims-to-start-taxing-renters-by-july-1/>.