

Morning Mix

Airbnb smackdown: Hosts in Santa Monica to pay tax

By **Justin Wm. Moyer** May 13, 2015

A pro-Airbnb protest in Santa Monica, Calif.

Airbnb, the Web site that is trying to disrupt the hospitality industry, is getting a taste of government regulation: specifically, taxes.

In a unanimous vote, the Santa Monica, Calif., city council voted to limit short-term rentals and require those sharing rooms via Airbnb to get business licenses and fork over 14 percent to the municipality.

[Airbnb host can't get rid of squatter]

“I would love the opportunity to live closer to where I work,” said hotel worker Agustin Cardenas through a translator last month, [as KPCC reported](#). “I see that companies like AirBnB have taken more than 1,400 homes in Santa Monica to rent to tourists. This is an injustice.”

But about 100 protesters — organized by Airbnb — who turned out in support of their right to homeshare disagreed.

“It’s such a blessing for us to have this money,” Arlene Rosenblatt, a retired teacher who lives in Santa Monica and rents out her place on Airbnb, told [the Los Angeles Times](#). “We need to have these regulations changed.”

And Airbnb, of course, was not pleased.

“The unnecessarily restrictive proposal would prohibit hosts from sharing their home with guests while the host is out of town — a unique provision which has never before been proposed,” Airbnb spokesman Alison Schumer told [KPCC prior to the meeting](#).

Airbnb has faced pushback from hotels, housing advocates and cities who want a share of its estimated [\\$20 billion business](#). In San Francisco, for example, one guest who stayed in a vacation condo rented via Airbnb for more than 30 days took advantage of a housing law that [prevented immediate eviction](#). And the company has reached out to cities such as Chicago and Washington to make arrangements to share revenue before litigation and regulation.

“The tax issue is particularly challenging as the rules vary city to city, and were designed without companies like Airbnb in mind,” Christopher Nulty, a spokesman for Airbnb, told [Slate in February](#). “We’re focused on making neighborhoods better places to live and visit—and part of that includes working with lawmakers to voluntarily collect and remit.”

Lawsuits, however, may be required to get Santa Monica to turn back the clock to the days of guilt-free, carefree, tax-free room-renting.

“We believe this legislation is flawed, constitutionally questionable and likely to lead to litigation,” Robert St. Genis, the director of operations for a lobbying group that represents short-term renters, told [the Los Angeles Times](#).

 **0 Comments**

Justin Wm. Moyer is a breaking news reporter for The Washington Post. After a long stint as a contributing writer at the Washington City Paper, he came to The Post in 2008, becoming an editor in Outlook and for the Morning Mix, The Post's overnight team. He became a reporter in 2015.  Follow @justinwmmoyer