

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 583

BY BUSINESS COMMITTEE

AN ACT

1 RELATING TO SHORT-TERM RENTALS; AMENDING SECTION 67-6539, IDAHO CODE, TO
2 REVISE PROVISIONS REGARDING LIMITATIONS ON REGULATION OF SHORT-TERM
3 RENTALS; AMENDING SECTION 63-1804, IDAHO CODE, TO REVISE PROVISIONS
4 REGARDING LIMITING TAX DUTIES OF SHORT-TERM RENTAL MARKETPLACES; AND
5 DECLARING AN EMERGENCY AND PROVIDING AN EFFECTIVE DATE.
6

7 Be It Enacted by the Legislature of the State of Idaho:

8 SECTION 1. That Section 67-6539, Idaho Code, be, and the same is hereby
9 amended to read as follows:

10 67-6539. LIMITATIONS ON REGULATION OF SHORT-TERM RENTALS AND VACATION
11 RENTALS. (1) Neither a county nor a city ~~may~~ shall enact or enforce any or-
12 dinance that has the express or practical effect of prohibiting any type of
13 short-term rentals or vacation rentals in the county or city. A county or
14 city may ~~implement~~ enact or enforce such reasonable regulations as ~~it deems~~
15 are necessary to safeguard the public health, safety and general welfare in
16 order to protect the integrity of residential neighborhoods in which short-
17 term rentals or vacation rentals operate and safety as long as the reasonable
18 regulations do not impose different restrictions or obligations on short-
19 term rentals than are imposed on single-family dwellings or similar struc-
20 tures not used as short-term rentals, or unless the regulations are permit-
21 ted by this section. A short-term rental ~~or vacation rental~~ shall be clas-
22 sified as a non-transient residential land use for zoning and building code
23 purposes and be subject to all zoning requirements applicable thereto and
24 only to building codes adopted by the Idaho building code board.

25 (2) (a) For purposes of this section, "different restrictions or obli-
26 gations" means any requirement or regulation that would not be imposed
27 but for a property's use as a short-term rental and specifically in-
28 cludes but is not limited to the following:

29 (i) Requiring owner occupation for any amount of time;

30 (ii) Requiring professional property management;

31 (iii) Requiring additional insurance;

32 (iv) Requiring reporting of use or other statistics;

33 (v) Requiring additional fire protection or fire sprinklers;

34 (vi) Requiring additional or improved means of ingress and
35 egress;

36 (vii) Requiring additional parking;

37 (viii) Requiring modification to the physical structure of the
38 property;

39 (ix) Requiring inspections;

40 (x) Requiring internal or external signage, notices, or dia-
41 grams;

42 (xi) Imposing a limit on the days a property can be rented;

1 (xii) Requiring notices to neighboring properties;
 2 (xiii) Requiring increased sewer or other utility capacity;
 3 (xiv) Requiring a conditional use permit in a residential zone;
 4 (xv) Limiting proximity to other short-term rentals;
 5 (xvi) Restricting the number of short-term rentals in a county or
 6 city; or
 7 (xvii) Requiring the property to be improved to meet current
 8 building codes unless the same would be required without regard to
 9 the short-term rental use.

10 (b) The terms defined in section 63-1803, Idaho Code, shall apply to
 11 this section.

12 (3) A county or city may, by ordinance, require an owner of a short-term
 13 rental to implement the following requirements only:

14 (a) That all sleeping areas in a short-term rental, including when ap-
 15 licable, basements, living rooms, and family rooms, be equipped with
 16 functioning smoke alarms;

17 (b) That the short-term rental be equipped with a functioning fire ex-
 18 tinguisher and a functioning carbon monoxide detector on each floor;

19 (c) That removable escape ladders be available in all sleeping areas
 20 with a window that are located above the ground floor;

21 (d) That maximum occupancy limits for short-term rentals do not exceed
 22 those non-transient residential limits as contained in the interna-
 23 tional building codes as adopted by the Idaho building code board; and

24 (e) That an easily accessible informational handout be available to
 25 tenants describing the location of exits, the location of fire ex-
 26 tinguishers, the location of any supplied first aid kits, and a phone
 27 number to contact the owner or manager of the short-term rental in the
 28 case of an emergency.

29 (4) No county or city shall enact or enforce any covenant, condition,
 30 restriction, or contract that regulates a short-term rental except as al-
 31 lowed in this section.

32 (5) No county or city shall require a license, fee, permit, certifica-
 33 tion, or registration to operate a short-term rental.

34 (6) All short-term rental properties along with their owners and ten-
 35 ants shall be subject to all other county and city ordinances and penalties
 36 that apply to other non-short-term rental residential uses, including but
 37 not limited to noise, parking, nuisance, curfew, and traffic regulations.

38 ~~(2)~~ (7) Neither a county nor a city ~~can~~ shall regulate the operation of
 39 a short-term rental marketplace in accordance with the provisions of chapter
 40 18, title 63, Idaho Code.

41 SECTION 2. That Section 63-1804, Idaho Code, be, and the same is hereby
 42 amended to read as follows:

43 63-1804. LIMITING TAX DUTIES OF SHORT-TERM RENTAL MARKETPLACES AND
 44 OWNERS -- COLLECTION OF TAX. (1) A local government may not levy a sales,
 45 use, franchise, receipts, or other similar tax or fee on the business of
 46 operating a short-term rental marketplace.

47 (2) A short-term rental marketplace shall register with the state
 48 tax commission for collection, reporting, and payment of sales and use and
 49 travel and convention taxes levied by this state and any applicable local

1 government taxes administered by the state tax commission on short-term
2 rentals and vacation rentals due from a lodging operator on any lodging
3 transaction facilitated by the short-term rental marketplace.

4 (3) A short-term rental marketplace shall collect, report, and pay
5 taxes imposed on the lodging operator or occupant of a short-term rental or
6 vacation rental by any local government.

7 (4) Any local government that has levied a tax pursuant to statutory au-
8 thorization, may contract with the state tax commission for the collection
9 and administration of such taxes in like manner and under definitions and
10 rules of the state tax commission for the collection and administration of
11 the state sales or use tax under chapter 36, title 63, Idaho Code. Alterna-
12 tively, such local government shall have authority to administer and collect
13 such tax. All revenues collected on behalf of the local governments by the
14 state tax commission pursuant to this chapter shall be distributed as fol-
15 lows: An amount of money shall be distributed to the state refund fund suffi-
16 cient to pay current refund claims. All refunds authorized by the commission
17 to be paid shall be paid through the state refund fund and those moneys are
18 continuously appropriated. The state tax commission may retain an amount
19 of money equal to such fee as may be agreed upon between the state tax com-
20 mission and such local government for the actual cost of the collection and
21 administration of the tax. The amount retained by the commission shall not
22 exceed the amount authorized to be expended by appropriation by the legis-
23 lature. Any unencumbered balance in excess of the actual cost at the end of
24 each fiscal year shall be distributed as provided in this section. All re-
25 maining moneys received pursuant to this chapter shall be placed in a fund
26 designated by the state controller and remitted monthly to the local govern-
27 ment levying such tax.

28 (5) If an owner of a short-term rental offers a short-term rental or va-
29 cation rental directly to an occupant without the use of a short-term rental
30 marketplace, such owner shall comply with all the requirements provided in
31 this section applicable to a short-term rental marketplace.

32 ~~(5)~~ (6) A short-term rental marketplace that has not facilitated a
33 lodging transaction in Idaho shall have forty-five (45) days to comply with
34 this section upon completion of their first lodging transaction in Idaho.

35 SECTION 3. An emergency existing therefor, which emergency is hereby
36 declared to exist, this act shall be in full force and effect on and after
37 July 1, 2026.