

**TAX TIPS FOR  
SHORT TERM RENTAL INTERMEDIARIES  
CONDUCTING BUSINESS IN DELAWARE  
Things You Should Know**

**Definitions, 30 Del. C, Ch. 62 and Ch. 23**

Persons engaged in the business of providing short-term rental lodging to the general public within this state are required to obtain license and collect an 4.5% (.045) lodging tax. Please refer to the following definitions:

Short-Term Rental means a house, duplex, apartment, condominium, houseboat, trailer, or other residential dwelling unit where a tourist or transient guest rents sleeping or living accommodations rent for no more than 31 consecutive nights.

Accommodations intermediary means any person engaged in the business of facilitating or arranging a short-term rental to an occupant on a website or through other means, including the renting of properties subject to a timeshare plan. This includes a real estate broker (not real estate licensees working under the broker). This does not include any persons who exclusively uses a third-party accommodations intermediary shall not be deemed an accommodations intermediary.

Rent means consideration received for occupancy, valued in money, whether received in money or otherwise. Rent does not include municipal taxes, linen rental fees, cleaning fees, insurance fees, security deposits, other add-on fees not usually considered part of the rent or money received from a month-to-month holdover lease.

**Taxable Receipts**

Section 6202 of Title 30 of the Delaware Code imposes a 4.5 percent (.045) short-term lodging tax of the rent upon every occupancy of a short-term rental within this state. If you need to register with the Division of Revenue Accommodations intermediary license or additional business license, please complete a Combined Registration Application on-line at <https://onestop.delaware.gov>.

**Exempt From the Lodging Tax:**

- Hotels, motels, and tourist homes (subject to a separate hotel, motel, or tourist home Delaware business license
- Rooms, groups of rooms, or other spaces used for assembly;
- Dormitories or residential facilities of educational or vocation institutions;
- Healthcare facilities licensed by the State;
- Campsites, cabins, or similar facilities in campgrounds;
- Overnight camps for adults or children; or
- A rental arranged directly by the property owner, on a casual and isolated basis where the rent is substantially below market rates and the property is used as a rental for no more than 10 nights in aggregate per calendar year.

**License Requirements**

Accommodations Intermediaries are required to obtain a business license at \$25 per year. The license must be renewed annually on or before December 31st of each year. Licenses for businesses operating on a seasonal basis are not proratable and the license renewals are due on or before December 31st each year.

**Revenue Sharing of Accommodations Tax**

Twenty-five percent of the 4.5 percent (4.5%) public accommodations tax collected is divided evenly between the Beach Preservation Fund and, in the proportion in which it was collected, the Convention and Visitors bureaus in each county.

**Tax Rates, Exclusions, and Due Dates**

Short-Term Rental Sample Calculation:

Rents Collected      \$175,000.00 x .045 =    \$7,875 Tax Due

(Note: Delaware requires that tax due be rounded-off to the nearest dollar amount.)

**Additional Data Required:**

The accommodations intermediary must provide the State with all data necessary to enforce Chapter 62 of Title 30 of the Delaware Code. This data shall, at a minimum, include the accommodations intermediary's demographic identifiers (e.g., business license, name, etc.), the address of each rental unit, the number of nights rented for each unit, and the aggregate rents collected for each property.

**Due Dates of Returns**

Monthly returns for Short-Term Rental are due on the 15<sup>th</sup> of the month following the end of the tax period.

**General**

If you have any questions, please contact one of the following offices:

<b><i>Wilmington</i></b>	<b><i>Dover</i></b>	<b><i>Georgetown</i></b>
Division of Revenue Carvel State Office Building 820 North French Street Wilmington DE 19801  (302) 577-8205	Division of Revenue Thomas Collins Building 540 South DuPont Highway Suite 2 Dover DE 19901  (302) 744-1085	Division of Revenue 20653 DuPont Blvd. Suite 2 Georgetown DE 19947  (302) 856-5358

or by e-mail at: [rev\\_busaudit@delaware.gov](mailto:rev_busaudit@delaware.gov) or 302-577- 8662

File Gross Receipts Returns on Taxpayer Portal at <https://tax.delaware.gov>.