



Transient Rental

Frequently Asked Questions

What is a transient rental?

A transient rental is any unit that is occupied for the purposes of sleeping, lodging, or similar reasons for a period of 30 consecutive days or less in exchange for a fee or similar consideration.

Can I rent my unit as a transient rental?

Only some zones within the Town of Mammoth Lakes permit transient rentals. The following zones permit transient rentals:

- RMF-2 (Residential Multi-family 2)
- CL (Commercial Lodging)
- CG (Commercial General)
- R (Resort, including master plan areas)
- SP (Specific Plan, including North Village and Clearwater)

A zoning map lookup can be found on the Town's website at: <https://gis.mono.ca.gov/apps/pv/>

This zoning map is intended as a guide only. Although the above zones permit transient use generally, other regulations such as those found in master plans, CC&Rs, or project conditions of approval may prohibit transient rental within a particular development. Generally, transient rental of single family homes is prohibited.

What is Transient Occupancy Tax (TOT)?

Transient Occupancy Tax, or TOT, is a 13% tax that is charged "for the privilege of occupancy of any transient occupancy facility." The tax is required to be paid to the operator of the transient occupancy facility at the time the rent is paid. It is the operator's responsibility to remit the TOT to the Town.

What is Tourism Business Improvement District (TBID)?

The Tourism Business Improvement District (TBID) is a benefit assessment district developed to help fund marketing and sales promotion efforts for Mammoth Lakes tourism businesses. All lodging businesses regardless of annual gross revenue will pay the 1% assessment on all bookings. More information on TBID can be found at: <http://mltbid.com/>

Do I need to pay TOT and TBID?

If you are renting your unit as a transient rental, even if it is only for one night a year, you are required to remit 13% TOT and 1% TBID on the total gross rents received. The total gross rents includes all nonrefundable costs at the time of booking, such as cleaning fees, pet fees, etc.

Do I need to file a Monthly Return for TOT and TBID on months when I have no rental activity?

Yes, you are still required to file a Monthly Return for TOT and TBID on months with zero rental activity to avoid the assessment of penalties. You may file your Monthly Return for TOT and TBID online or by using the paper form.

Do I need a Business Tax Certificate?

Yes, a Business Tax Certificate is required if you are renting your unit on a transient basis.

Do I need a Certified Property Authorization Number?

Yes. Each unit must apply for and be approved as a Certified Property prior to renting transiently. Please submit a Certified Property application at the same time you submit a Business Tax Certificate application. The Certified Property application can be found on the Town website under the Finance Department pages or click this link, [Certified Property Application](#). The Business Tax Certificate application can also be found on the Town website under the Finance Department pages or click this link, [Business Tax Certificate Application](#).

What is the difference between a Business Tax Certificate and a Certified Property Authorization.

Business tax is an annual tax and is required for any business activity occurring in the Town of Mammoth Lakes. You must renew your Business Tax Certificate (BTC) on an annual basis, based on the calendar year. For a short-term rental business, the BTC is how TOT/TBID is remitted on a monthly basis and all Certified Properties must have a BTC associated with the authorization number. The Certificate Property Authorization is the process by which a property becomes eligible for transient rental. Prior to renting, a Certified Property application is required as well as a Transient Rental Inspection. Once approved the owner of the unit can utilize the Certified Property Authorization to rent the unit themselves or provide the units authorization number to a property manager to rent on their behalf.

Do I need a Business Tax Certificate if all of my transient rentals are handled through a property management company?

No. If 100% of the advertising and rentals are handled through a reservation company and your agreement with the reservation company states that they will collect and remit TOT and TBID to the Town, then you are not required to have your own Business Tax Certificate. You may wish to check with your property management company to confirm that this is being taken care of. All properties are required to be approved for the Certified Properties program prior to renting.

A reservation company handles most of the transient rentals for my unit but I anticipate renting directly to my friends a few times a year. Do I need a Business Tax Certificate? How do I figure out the total gross rents used to calculate TOT and TBID on my Monthly Returns?

Yes, you are required to have a Business Tax Certificate if you handle any direct advertising or rentals of the transient rental unit. As long as the reservation company is collecting and remitting TOT and TBID collected on their bookings, you are only required to collect and remit TOT and TBID on the bookings you handle directly.

What is illegal rental activity?

Illegal rental activity is any rental activity that is not consistent with the Town's Zoning Ordinance, or any rental activity that is not compliant with the Transient Occupancy Tax Ordinance. This can include transient rentals of units located in zones that prohibit transient rentals. It can also include transient rentals in a zone where it is permitted, but the operator does not have a valid Business Tax Certificate or a valid Certified Property authorization or is not remitting TOT and/or TBID to the Town.

How can I report suspected illegal rental activity?

If you suspect illegal rental activity, you may submit an anonymous tip via the Town's TOT hotline at (760) 965-3660, extension 3670 or you may submit an email to tot@townofmammothlakes.ca.gov. Please note that emails are not anonymous, however, staff will do their best to keep your information private. Please include any information you have that would substantiate the claim, along with the property address and owner's name if you have it.