Big Sky Resort Area District
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Lodging & Short-Term Rental FAQ

The 1% for Infrastructure vote passed in May, when do I need to start assessing guests 4% instead of 3%?

- Please adjust your accounting system by July 1, 2020 so that all stays booked beginning July 1, 2020 will be assessed 4% resort tax. BSRAD does not hold businesses accountable for the 4% on stays booked prior to July 1, 2020.

For lodging and short-term vacation rentals, what should be taxed?

- Per Ordinance 98-01, "all rental agreements for all lodging facilities, except rental agreements for rental of a facility or unit to the same user for thirty (30) consecutive days or more and employee housing regardless of duration or location within the District."

Should all fees in the rental agreement be taxed?

- Yes, cleaning fees, hot tub fees, and service charges included as part of the rental agreement and passed along to the guest should be taxed. Pass through fees such as trip insurance or refundable damage deposits do not need to be taxed.

My rental guest says they are exempt from paying resort tax. What should I tell them?

- No exemptions are provided for rental guests paying for lodging or short-term rentals for less than thirty (30) consecutive days. These are considered luxuries and are taxable within the District under any circumstances.

I use VRBO to accept bookings for my property. Do I still need to register with BSRAD?

- Yes, lodging establishments and short-term rental owners are still required to complete an annual business registration with BSRAD. For bookings taken January 1, 2020 or later, VRBO collects and remits the resort tax on your behalf. If you use any other booking platforms or have taken bookings prior to January 1, it is your responsibility to collect the tax from your guests and remit those amounts to BSRAD via your MUNIRevs account.

I use AirBnb or another platform to accept bookings for my property. Do I still need to register with BSRAD?

- Yes, you must register with BSRAD to collect and remit the resort tax collected for all bookings and complete an annual registration task. A tax collection agreement with AirBnb is pending but has not yet been finalized.

Do I need to complete a tax form for a month or quarter when I had no rentals?

- If you had zero taxable rentals for an entire month or quarter (depending on your filing settings), you are still obligated to complete the tax form for this period and submit the form via MUNIRevs. If the form is not submitted, your account will appear delinquent. A seasonal filing option is available only for businesses operating 4 months out of the year or less and must be approved by BSRAD. A guide to a "zero file return" is available on our website https://resorttax.org/collections.

When do I report sales for each booking? Is it when I receive the funds, or when the stay is completed?

- As long as the amounts are reported on a consistent basis, BSRAD does not have a preference on the exact timing of remittance based on each booking. However, if sales are reported before check in occurs, the business may run the risk of having to issue refunds on taxes that have already been remitted.