

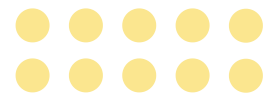
A vacation worth *sharing*

A GUIDE TO SHORT-TERM RENTALS ON LAKE CUMBERLAND



LAKE CUMBERLAND
RUSSELL COUNTY, KY



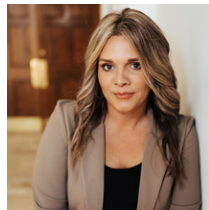


Welcome to *lake cumberland!*

YOUR TOURISM TEAM



Danielle Wilson
EXECUTIVE DIRECTOR



Crystal Popplewell
ADMINISTRATIVE ASSISTANT

Whether you're new to the short-term rental industry or looking to optimize your existing property, this guide will help you navigate the essentials of running a successful short-term rental.

Operating a rental property involves more than just creating a welcoming space for guests. It's vital to understand your legal and financial responsibilities, including registering your property and properly collecting and remitting transient taxes. This guide will walk you through the step-by-step process to ensure compliance with local regulations.

Beyond the basics, we'll share expert tips on marketing your rental to stand out in a competitive market. From listing strategies to leveraging social media, we'll help you attract travelers seeking the perfect stay.

Additionally, you'll discover valuable resources offered by the Lake Cumberland Tourist Commission, including marketing support and access to tourism data.

With the right tools and knowledge, your short-term rental can become a cornerstone of Russell County's vibrant tourism industry.

let's get started!

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Russell County Ordinance 95-6 establishes the Lake Cumberland Tourist Commission and the local transient tax of 3% of the gross rent of every occupancy of a suite, room, or rooms charged and collected.

Apply for a business permit (occupational license)

Anyone who opens a business in Russell County must obtain a business permit (also known as an occupational license). You will need to apply for a business permit, which can be found at <https://russellcountky.gov/occupational-tax-office/>. In addition to the occupational license, business owners located in the city limits are required to also have a business license.

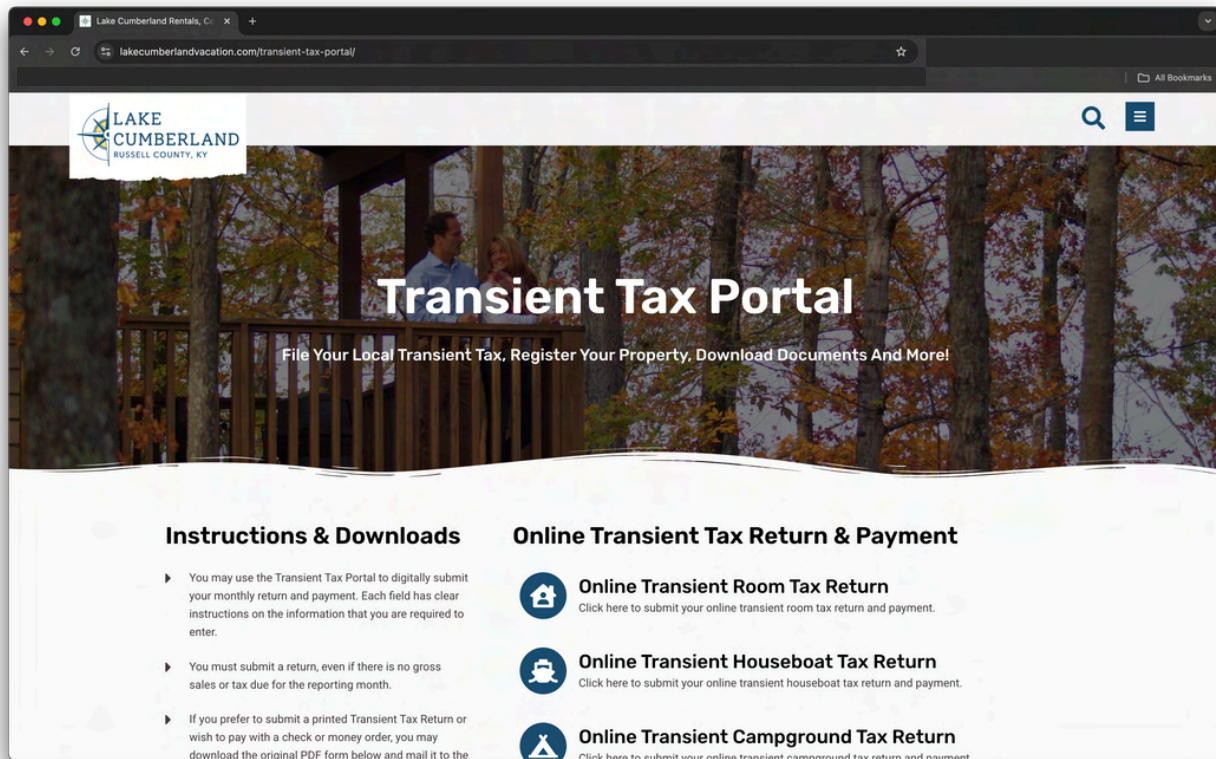
If your property is located in the **Russell Springs city limits**, an application for the business license can be found at <https://russellsprings.net/business-license/>.

If your property is located in the **Jamestown city limits**, an application for that license can be found at <https://www.myjtky.com/>.

Register with the Lake Cumberland Tourist Commission

Any person, firm, company, or corporation engaged in the rental or offering of suites, rooms, or any other transient accommodation in Russell County must register with the Lake Cumberland Tourist Commission within 30 days of commencing business. You must obtain a transient tax registration license and account ID from the Commission. It is unlawful to operate a hotel, motel, cabin, campground/RV park or any other transient lodging facility without the required registration after 30 days in business.





Our online portal makes it easy to register your short-term rental and remit your transient taxes.

How to Register

Visit <https://lakecumberlandvacation.com/transient-tax-portal/>

For Properties: Under "Download Forms," choose Transient Room Tax Registration Form.

For Campground/RV Sites: Under "Download Forms," choose Transient Campground Tax Registration Form.

Complete the selected form and email it to director@lakecumberlandvacation.com or mail it to PO BOX 64, RUSSELL SPRINGS, KY 42642. You must register your property within 30 days of making it available for transient rentals. Once your registration is received, the Commission will assign you a transient account ID, which you will need for remitting online transient tax payments.

Operating without a valid registration license is a misdemeanor punishable by a fine not exceeding \$500, imprisonment for a term not exceeding 90 days, or both.



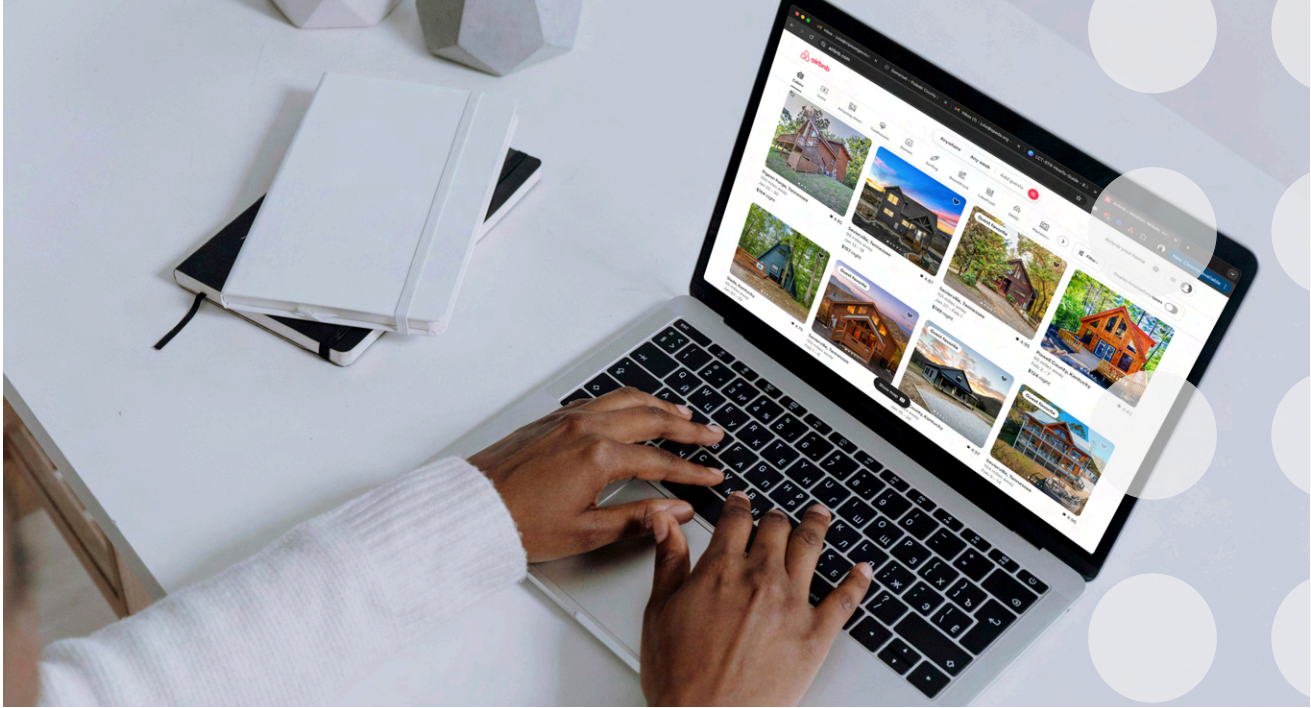
As a short-term rental host, you are required to collect and remit taxes on the rental income you receive.

These taxes include:

- 3%** Local Russell County transient room tax
- 1%** Kentucky transient room tax
- 6%** Kentucky sales tax

Any earnings you receive from rentals may also be subject to the local net profits occupational license fee. You will find information about this when you register for your business permit.





Platform-Specific Guidelines



Airbnb: Airbnb collects and remits your 6% state sales tax and 1% state transient tax. However, it does not collect the 3% local transient tax. You must add a 3% tax to your Airbnb listing to charge the customer and remit this tax to the Commission monthly via the online payment platform.



VRBO/Evolve: VRBO/Evolve collects and remits your 6% state sales tax, 1% state transient tax, and 3% local transient tax on your behalf. As the owner, you are still required to submit a monthly remittance through the online payment platform to inform the Commission of the total taxes due ONLY from VRBO/Evolve on your behalf. (E.g., Gross rentals on VRBO/Evolve are \$1,000, you submit a total tax due from VRBO of \$30 — enter \$30.00 into that line item)

Off-Platform Rentals: If you use your own website or other payment methods (e.g., check, cash, electronic payments), you are responsible for collecting and remitting the 3% local transient tax for all rentals through these off-platform rentals monthly via the online payment platform. You are also responsible for collecting and remitting your 6% state sales tax and 1% state transient tax.

Campgrounds/RV Sites: For transient sites, you must charge, collect, and remit the 3% local transient tax for all rentals of less than 30 days. Campgrounds must also collect and remit the 6% state sales tax and 1% state transient tax.



You can pay your transient taxes online or traditionally by mail.
 Visit <https://lakecumberlandvacation.com/transient-tax-portal/>
 to access the payment portal via desktop or mobile.
 Then follow the steps below:

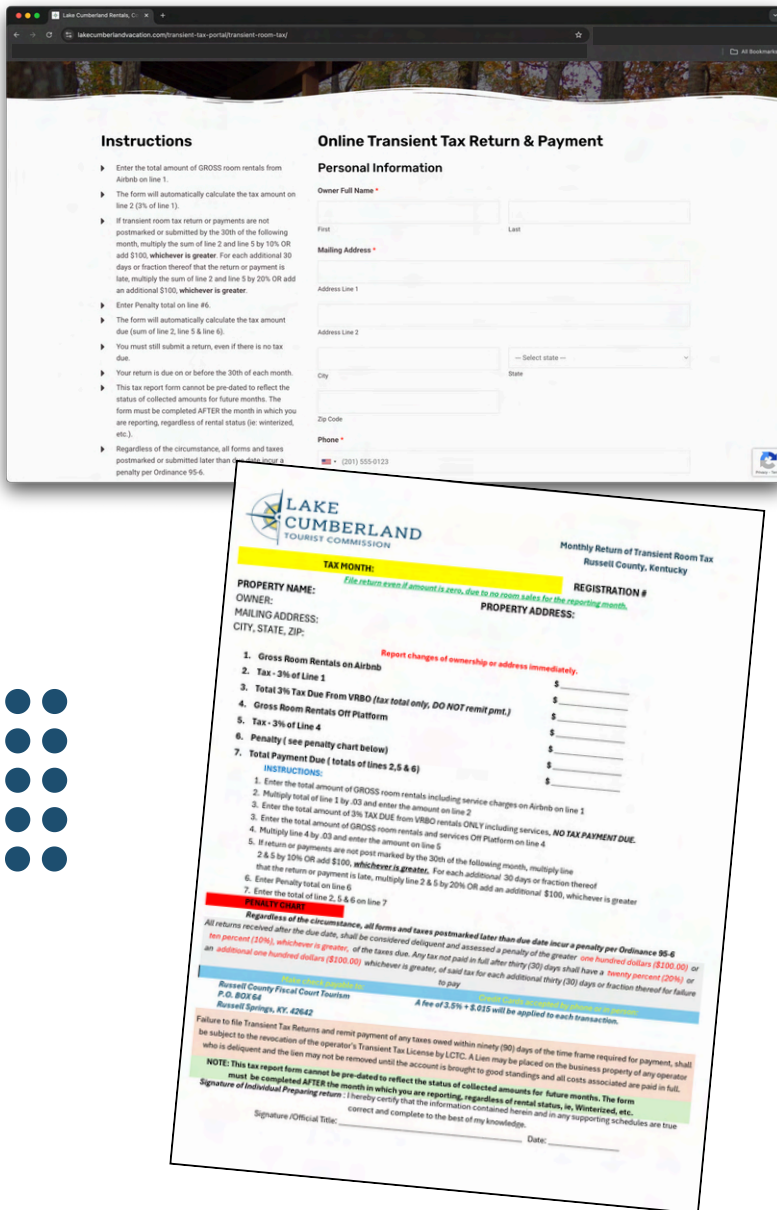
Online

1. On your device, click the type of return you are submitting (transient room or campground), and enter the information on each line for your property and tax amount information. The system will automatically calculate your tax for you.
2. You can then choose to pay securely using Square or PayPal.
3. If it is a month without rentals, you simply click the box that says, "Filing a ZERO return." If you are only remitting VRBO/Evolve totals, click the box that says "Only submitting VRBO/Evolve Totals."
4. After completing the form and submitting it, you will receive a confirmation email notifying you that your taxes have been received.

By mail

1. A downloadable PDF of the remittance form is also available through our tax portal under "Download Forms."
2. Select the type of return you are submitting (room or campground). This PDF is fillable, so you can fill it out on your device.
3. Enter the information on each line for your property and tax amount information.
4. Once it is finished, please print the PDF and mail it to our office with payment.

it's that easy!



Just a reminder: Please make sure you know your Account ID, as it is required on the online form.

Local transient taxes are due on the *20th* of each month

Tax Payment & Penalties

Monthly tax remittance: Local transient tax is due on the 20th of each month for the preceding month's rentals (e.g., June's transient tax is due by July 20). We allow a 10-day grace period (30th of each month). If taxes are not remitted by the end of this grace period, a penalty of \$100 or 10% of the total tax due (whichever is greater) will be charged to your account and sent electronically to the email on file. Additionally, interest will be charged at a rate of 20% to your account each 30 days the remittance is late. After 90 days of nonpayment, your operator's license may be revoked, and both criminal and civil penalties will be enforced by the County Attorney.

Zero rentals: If there are no rentals in a given month, you are required to still submit a zero return via the online payment portal by checking the "I am submitting a zero return" box.

VRBO/Evolve-only rentals: If you exclusively use VRBO/Evolve and owe no additional taxes, access the online payment portal, check the "I am submitting VRBO/Evolve totals only" box, enter the total tax due from VRBO/Evolve, sign, and submit.

Ceasing operations or transferring business: If you cease operating your business, all remittances and taxes are due within 30 days of cessation. Additionally, notify the commission within 30 days of selling, transferring, or terminating your business, providing the name and address of the purchaser.



As with any business, there are other considerations you should be aware of when operating a short-term rental.

Consider consulting with a legal advisor for assistance with any legal issues that may be involved with this type of business. Some of these considerations include:

Zoning regulations: If you have questions about what zoning regulations exist in your location, please contact Planning and Zoning at 270-866-3981 for Russell Springs owners only.

Insurance: Review your insurance policies and consult with your agent to make sure that they cover injuries, accidents or losses arising from the use of the property by renters.

Renting/subleasing: If you rent your apartment, townhouse, home, etc., check with your landlord before using it as a short-term rental. Many rental properties are not open to short-term subleasing/renting. If short-term leasing/renting is allowed, be sure to get the agreement in writing from the property owner so that there are no disputes down the road.

HOA/Restrictive covenants: Review your property deed for restrictive covenants. Owners who live in a development or subdivision with a deed of restriction covenant should determine if the covenant regulates rental activity.

Occupancy agreements: This is optional, but consider seeking legal advice to determine if a different form of ownership is needed to provide anonymity or protection from individual liability and to prepare an occupancy agreement specific to the arrangement the owner wishes to establish with the renter.



We want you to be successful as you begin your short-term rental adventure! Marketing your property is essential, as well as making sure your visitors have a first-class experience.



see how we
MARKET YOUR PROPERTY!



What we do:

On our website, lakecumberlandvacation.com, we have a robust, searchable listing of all vacation rentals in Russell County. We list your property, complete with photos and a description, on our site, along with a link to your booking site, free of charge.

We print 15,000 visitor guides annually, which we distribute at boat shows in Chicago, Indianapolis, Louisville, Ohio, and mail to rest stops across the Commonwealth. We offer a downloadable and interactive Visitor Guide on our website, where your link is clickable.

We add your property to KentuckyTourism.com for free.

We purchase ads in the Kentucky Official Visitors Guide annually, as well as TV commercials on streaming networks, billboards, and other publications. We offer these guides free of charge — just stop by our office or send us a request to mail them.

What you can do:

Don't be afraid to utilize other platforms to market your short-term rental.

Create a booklet or have a QR code inside your rental that visitors can use to find out more information such as restaurants, things to do, etc. You can also always direct them to lcvacation.com, as this website has a robust events calendar and listings of restaurants, attractions and more.

Identify what makes your property unique and advertise that!

Give your rental a unique name and create a social media presence to showcase photos of your space and testimonials from happy guests!



Happy renting!

