

**CITY OF HOMER  
HOMER, ALASKA**

Davis/Aderhold

**RESOLUTION 24-056**

A RESOLUTION OF THE CITY COUNCIL OF HOMER, ALASKA,  
REQUESTING THE KENAI PENINSULA BOROUGH ASSEMBLY PASS  
AN ORDINANCE DIRECTING THE FINANCE DEPARTMENT TO  
COORDINATE WITH AIRBNB REGARDING THE DIRECT  
COLLECTION OF SALES TAXES ON SHORT TERM RENTALS.

WHEREAS, Sales taxes provide a significant source of revenue to the City of Homer for funding public services and infrastructure; and

WHEREAS, The equitable collection of sales taxes ensures financial fairness for all entities conducting business within the City of Homer and Kenai Peninsula Borough (KPB); and

WHEREAS, The growth of online marketplaces and short-term rental platforms has created new challenges and opportunities for tax collection; and

WHEREAS, New short-term rentals come to the market on a regular basis, and anecdotal evidence suggests that many new and existing short-term rental owners are not aware of the requirement that they collect sales tax from their guests; and

WHEREAS, Airbnb is a significant platform for short-term rentals, with a substantial presence in Homer and throughout the KPB; and

WHEREAS, Identifying and reaching out to owners of new and existing short-term rentals appearing on Airbnb has proven challenging for City of Homer staff; and

WHEREAS, Airbnb has offered to collect sales taxes directly from guests at the time they pay for their vacation rental and associated services; and

WHEREAS, Direct collection of sales taxes by Airbnb would streamline the tax collection process, reducing administrative burdens on local hosts and ensuring a fair playing field for all visitor-hosting businesses in the City of Homer and the KPB; and

WHEREAS, The KPB Sales Tax Division of the Finance Department collects city sales taxes for purchases made within the City of Homer, and the Alaska Remote Sellers Sales Tax Commission (ARSSTC) collects city sales taxes for remote (online) sales to customers with City of Homer addresses; and

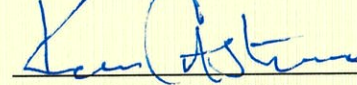


WHEREAS, The KPB and the City of Homer contribute a significant amount of funding for the ARSSTC's remote sales collection services, and Airbnb, which does not participate in ARSSTC, would provide a similar service to the City of Homer and the KPB at no cost.

NOW, THEREFORE, BE IT RESOLVED, The Homer City Council requests that the KPB Assembly pass an ordinance directing the Finance Department to coordinate with Airbnb regarding direct sales tax collection on short-term rentals in the KPB and City of Homer.

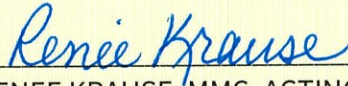
PASSED AND ADOPTED by the Homer City Council this 13th day of May, 2024.

CITY OF HOMER



KEN CASTNER, MAYOR

ATTEST:



RENEE KRAUSE, MMC, ACTING CITY CLERK

Fiscal Note: Revenues

