

Key Aspects of the City of Toronto

Licensing and Registration of Short-Term Rentals

The City of Toronto Licensing and Registration of Short-Term Rentals By-law defines a short-term rental as all or part of a dwelling unit in the City of Toronto used to provide sleeping accommodations for any rental period that is less than 28 consecutive days in exchange for payment. This includes existing B&Bs but excludes hotels, motels and accommodations where there is no payment.

A short-term rental company is any company facilitating or brokering short-term rental reservations online and receiving payment for this service. Short-term rental operators are people renting their homes or rooms on a short-term basis.

Key details on the rules:

- Short-term rentals are permitted across the city in all housing types in residential and the residential component of mixed-use zones.
- People can host short-term rentals in their principal residence only – both homeowners and tenants can participate.
- People can rent up to three bedrooms in a unit for an unlimited number of nights per year (up to a maximum of 28 days per stay) or their entire home for a maximum of 180 nights per year.
- People who live in secondary suites and laneway suites can also participate, as long as the secondary suite/laneway suite is their principal residence.

Short-term rental companies will be required to be licensed with the City of Toronto. A short-term rental company is any company facilitating or brokering short-term rental reservations online and receiving payment for this service.

- Applicants will be required to pay a one-time licence application fee of \$5,000 and an ongoing fee of \$1 for every night booked through the company.
- Licensees will be required to ensure that all listings have valid registration numbers.
- Upon licensing, short-term rental companies will be required to provide a process for removal of listings that do not have valid registration numbers, and a procedure for dealing with problematic operators and responding to complaints.
- Short-term rental companies will be required to keep records of short-term rental activity and provide them to the City as requested.

Short-term rental operators (people renting their homes on a short-term basis) will be required to register with the City of Toronto.

- Operators will be required to pay registration fee of \$50 per year and post their City-issued registration number in all advertisements.
- People renting their homes on a short-term basis will be required to pay a 4 per cent Municipal Accommodation Tax (MAT) on all rentals that are less than 28 consecutive days.
- Operators will need to provide the City with information, including:
 - contact information and address;
 - details of the short-term rental;
 - name and telephone number of an emergency contact person who will be available 24 hours a day during rental periods.
- Government-issued identification is required to demonstrate that the short-term rental is the operator’s principal residence and that they are over the age of 18.
- Operators will also be required to keep records of short-term rental activity and provide to the City upon request.

<https://www.toronto.ca/legdocs/municode/toronto-code-547.pdf>