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Athens vacation rental checklist

Limestone County, Alabama | Rules checked November 5, 2026

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Athens requires short-term rentals (30 days or less, rented to one party as a whole unit) to pay a city business license and lodging tax. Its October 2024 ordinance paused new rentals for three months and had existing ones register with the Planning Department. Lodgings tax is 14% plus $2 a night.

> The 2024 article covers registration and a temporary moratorium only. Ask the city whether permanent permit rules have since been adopted.

> Airbnb's Alabama tax article lists the state tax and the local taxes the state administers. Taxes filed with a city, a county, or Avenu Insights may not be collected by the platform, so ask what it collects and file the rest yourself.

Licensing steps

STATE OF ALABAMA

- [ ] **Register for the lodgings tax**
  Create an account at My Alabama Taxes (MAT) and register for state lodgings tax, plus any local lodgings taxes the state administers for your county and city. Cities that collect their own tax need a separate account with the city.
  My Alabama Taxes: https://myalabamataxes.alabama.gov/

- [ ] **File by the 20th**
  Returns are due by the 20th of the following month. Small filers can ask (before February 20) to file quarterly, twice a year, or yearly. Paying on time earns a small discount (5% of the first $100 of tax, 2% after).

- [ ] **Know what the platform collects**
  Under Act 2024-334, Airbnb, VRBO, and other booking platforms collect the state and local lodgings taxes on their bookings unless your contract says you remit. You still owe tax on direct bookings, and the law adds a yearly report of every unit rented more than 14 days.

- [ ] **Keep filing once you register**
  If every booking goes through a platform that collects all your state and local lodgings taxes, you may not need your own account. But if you take direct bookings, or the platform doesn't collect one of your local taxes (often the ones filed with a city, a county, or Avenu), register and file it yourself. Once registered, file every period, even a $0 return, and report platform-collected sales as a deduction. Some county offices ask owners to keep their own account and file monthly even when the platform pays, so ask yours.

- [ ] **Then your county and city**
  Local business licenses, rental permits, and zoning rules are where Alabama towns differ most. Pick your area.

LIMESTONE COUNTY, ALABAMA

- [ ] **Register for the state lodgings tax**
  File the 5% state tax through My Alabama Taxes.

- [ ] **Then your city**
  If your rental is inside Huntsville, Madison, or Decatur city limits, use that city's page. Pick your area.

CITY OF ATHENS

- [ ] **Register with the Planning Department**
  Report the owner, any manager, a 24-hour local contact, the address, and an affidavit that no lodging or business license tax is overdue.
- [ ] **Get a city business license**
  Ask the city which license classification applies to short-term rentals.
- [ ] **Register for lodgings tax**
  Total lodgings tax here is 14% plus $2 a night. The city's 9% and $2 room fee are filed with Avenu Insights; the state 5% goes through My Alabama Taxes. Airbnb collects the state 5% and any state-administered local tax on its bookings. Ask your platform whether it also collects the other local taxes, and file anything it doesn't (and all direct bookings) by the 20th of each month.

Who to contact

ADOR Sales and Use Tax Division: 334-242-1490

Official sources

Alabama Department of Revenue: State lodgings tax. https://www.revenue.alabama.gov/tax-types/lodgings-tax/

Alabama Department of Revenue: Lodgings tax FAQs. https://www.revenue.alabama.gov/faqs/lodgings-tax/

Alabama Department of Revenue: Alabama Tourism Tax Protection Act (Act 2024-334)-
. https://www.revenue.alabama.gov/alabama-tourism-tax-protection/

Avalara MyLodgeTax: Alabama vacation rental tax guide-
. https://www.avalara.com/mylodgetax/en/resources/vacation-rental-tax-guides/alabama.html

City of Athens (Municode): Code section.
https://library.municode.com/al/athens/codes/code_of_ordinances?nodeId=COOR_CH18BULITARE_ARTXSHTERERE

Alabama Department of Revenue: Local lodgings tax rates report (November 2026)-
. https://www.revenue.alabama.gov/wp-content/uploads/2022/07/LLreport.pdf