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Dauphin Island vacation rental checklist

Mobile County, Alabama | Rules checked November 5, 2026

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Dauphin Island allows short-term rentals only in three overlay districts: STROD1 (capped at 90 licenses) and STROD2 (70) with a 3-night minimum, and STROD3 (no cap) with a 2-night minimum. New licenses need Planning Commission approval. The yearly rental license is $135 for most owners, due by January 31, with a safety inspection every three years. Lodgings tax is 13%.

> Zoning Ordinance 105 (November 2023, amended January 2024), §4.11.7 and §§8.8.3–8.8.5.

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.

MOBILE COUNTY, ALABAMA

- [ ] **Register for the county lodging tax**
  File the 2% county tax with the Mobile County License Commission (My Alabama Taxes is the preferred way).
- [ ] **Then your city**
  Pick your area.

TOWN OF DAUPHIN ISLAND

- [ ] **Confirm your property is in an overlay district**
  Only STROD1, STROD2, and STROD3 allow short-term rentals, and new licenses need Planning Commission approval. STROD1 and STROD2 are capped.

- [ ] **Register for lodgings tax**
  Total lodgings tax here is 13% (7% town, 4% state, 2% county). The town and state taxes go through My Alabama Taxes; the county 2% is filed with the License Commission. Airbnb collects the state tax and the local taxes the state administers on its bookings; for taxes filed with a city, county, or Avenu, ask your platform whether it collects them. For direct bookings, file everything yourself by the 20th of each month.
- [ ] **Apply for the rental license**
  Submit a floor plan, a parking plan, a 24/7 local contact who can be on site within 2 hours, and your acknowledgment of the minimum stay. Renew by January 31 with a hold-harmless agreement and last year's gross receipts.
  Dauphin Island rental hub: https://townofdauphinisland.org/rentallicenses
- [ ] **Pass the safety inspection every three years**
  By a licensed or certified inspector, starting with the 2026 renewal.
- [ ] **Post the house rules**
  Maximum occupancy, the vehicle limit (1 per 2 adults), the Good Neighbor Policy, and rip current information.

House rules for guests

Minimum stay: 3 nights (2 in STROD3)

Vehicles: 1 per 2 adult guests

Occupancy: 70 sq ft per bedroom, 50 sq ft per guest
Plus 2 children 12 and under.

Who to contact

Town Hall: 251-861-5525 ext. 222
Complaint hotline: 251-861-2101

Dauphin Island asks for drawings with your application.
Make the site sketch, floor plans, and evacuation maps to scale from your measurements at FireEscapePlan.com.

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

Mobile County License Commission: Mobile County lodging tax: general information-
. https://www.mobilecountylc.com/information/sales-tax/general-information/

Town of Dauphin Island: Zoning Ordinance 105 (short-term rental overlay districts)-
. https://222868be-fcef-4d0f-961c-0e6d442d5caa.usrfiles.com/ugd/222868_a2278251d8c24799b5787a168c5ebcb4.pdf

Town of Dauphin Island: Rental licenses hub. https://townofdauphinisland.org/rentallicenses