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Tuscaloosa (city) vacation rental checklist

Tuscaloosa County, Alabama | Rules checked November 5, 2026

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Tuscaloosa requires a short-term rental business license (with the number in every listing), $1 million in liability insurance, and a home inspection every two years. Most homes can rent only 45 days a year by right, and only inside the tourist overlay near campus and downtown; elsewhere, in historic districts, or for more days, you need a $400 special exception from the Zoning Board of Adjustment. Lodging tax is 15% (11% city + 4% state).

> The use standards were rewritten in February 2025 (Ordinance 9590). The city paused new short-term rental licenses from October 2022 to January 2023.

> In the police jurisdiction outside city limits, you still need the city business license, insurance, and inspection, but no ZBA approval (per the city's forms matrix).

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.

TUSCALOOSA COUNTY, ALABAMA

- [ ] **Find out if you're in a city or police jurisdiction**
  Tuscaloosa and Northport tax (and Tuscaloosa licenses) short-term rentals in their police jurisdictions too, not only inside city limits. Ask the city which applies at your address.

- [ ] **Then your city**
  Pick your area.

CITY OF TUSCALOOSA

- [ ] **Check your zone and day limit**
  The tourist overlay runs roughly south of the Black Warrior River between McFarland Boulevard East and 29th Avenue, around campus and downtown. Inside it (outside historic districts) any home can rent up to 45 days a year by right. Outside it, only condos and apartments get 45 days by right. Houses outside the overlay, anything in a historic district, and more than 45 days all need a special exception.
- [ ] **Apply for a special exception if you need one**
  File the ZBA petition for short-term rental ($400) with the Planning Division. The board weighs whether the home is the owner's primary or accessory use, past complaints, and how many rentals are nearby. A new special exception allows 30 days the first year and 45 after unless the board sets another number.
  Tuscaloosa STR forms: https://www.tuscaloosa.com/str/apps_forms
- [ ] **Get the business license**
  Send the Revenue Division the business license application, a home inspection report by a licensed home inspector (houses) or a city fire or building inspection (condos, B&Bs), proof of $1 million liability insurance naming the city, and, for condos, a letter from the HOA or property manager. A manager who isn't the owner needs a designation of agent and an Alabama real estate license.
- [ ] **Register for lodging tax**
  Total lodging tax is 15% in the city (11% city, filed with the city's Revenue Division by the 20th, and 4% state through My Alabama Taxes). If a platform collects for you, the city still wants a monthly return with the platform's transaction history.
- [ ] **Renew every year**
  Renew before the license expires with the yearly audit form showing nights rented; a home inspection report less than 24 months old must be on file. Licenses issued before May 21, 2019 keep their old rules only if renewed on time.

City fees

Short-term rental special exception (ZBA) Only if your rental needs one.	**$400**
Business license, Schedule B By gross receipts: $75 under $15,000, $140 to $30,000, $200 to $60,000, $260 to $90,000, $400 to $180,000, $550 above (§7-18).	**$75 to $550 a year**

Inspection checklist

- [ ] **Smoke and carbon monoxide detectors.**
- [ ] **Operable egress windows in sleeping areas.**
- [ ] **Hand and guard rails, GFCI where required.**
- [ ] **Fire extinguishers, emergency egress lighting, visible 911 address.**
- [ ] **Fire sprinklers if you rent rooms while living there.** Owner-occupied homes and B&Bs with five or fewer guest rooms.

House rules for guests

Occupancy: Fire code limit, and no more than 2 adults per extra off-street space

Events: No weddings, concerts, or commercial events

Minimum stay: 24 hours

ADUs: Can't be short-term rentals

Who to contact

Revenue Division: 205-248-5200
Planning Division: 205-248-5100
Building and Inspections: 205-248-5110
Tuscaloosa County Special Tax Board: 205-722-0540

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 Tuscaloosa (Municode): Code section.
https://library.municode.com/al/tuscaloosa/codes/code_of_ordinances?nodeId=CO_CH7BULITARE_ARTXIIREHOTE

City of Tuscaloosa (Municode): Code section.
https://library.municode.com/al/tuscaloosa/codes/code_of_ordinances?nodeId=CO_CH25ZO_ARTVUSRE_DIV2PRUS_S25-101COPRUSTA

City of Tuscaloosa: Short-term rental applications and forms. https://www.tuscaloosa.com/str/apps_forms

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https://library.municode.com/al/tuscaloosa/codes/code_of_ordinances?nodeId=CO_CH7BULITARE_ARTXIIREHOTE

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https://library.municode.com/al/tuscaloosa/codes/code_of_ordinances?nodeId=CO_CH20PLDE_ARTVIADFE_S20-100ADFESCPLDIBOCO

City of Tuscaloosa: Short-term rentals. https://www.tuscaloosa.com/STR

City of Tuscaloosa (Municode): Code section.
https://library.municode.com/al/tuscaloosa/codes/code_of_ordinances?nodeId=CO_CH7BULITARE_ARTIIBULI_S7-18BULISC

City of Tuscaloosa: Lodging tax. https://tuscaloosa.com/business/revenue-division/taxes/lodging-tax