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Durango vacation rental checklist

La Plata County, Colorado | Rules checked November 8, 2026

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Durango requires a vacation rental permit, and in residential neighborhoods only a few areas allow them, capped at roughly one per block face with a long waitlist. Most permitted rentals are in mixed-use and downtown buildings. Every rental also needs a city business license and lodger's tax license.

> Our zoning details come from a 2021 news report; we couldn't read the city's current vacation rental page. Confirm the permit fee, inspection, and current caps with the city.

Licensing steps

STATE OF COLORADO

- [ ] **Get a state sales tax license**
  If you rent rooms or a home for stays under 30 days, Colorado requires a sales tax license from the Department of Revenue. Platforms like Airbnb collect the state and state-administered taxes on their bookings; you file for anything booked directly.
  MyBiz Colorado: https://mybiz.colorado.gov/
- [ ] **Check for home-rule city taxes**
  Many cities and mountain towns collect their own sales and lodging taxes. Platforms aren't required by the state to collect these, so you may need a separate city tax license and returns.
- [ ] **Get your county or city rental license**
  Most Colorado mountain counties and towns, and Denver, require a short-term rental license or permit, often with an inspection, an occupancy limit, posted information, and a local responder. Pick your area for the rules.

LA PLATA COUNTY, COLORADO

- [ ] **Get a state sales tax license**
  Needed for any rental unless a platform covers all your taxes.
- [ ] **Then your town or area**
  Towns set their own rental licenses and collect their own taxes, and the county's rules cover only areas outside town limits. Pick your area.

CITY OF DURANGO

- [ ] **Check zoning and the waitlist**
  In residential neighborhoods, vacation rentals are allowed only in the downtown grid and around West Second and Third avenues, capped at a small share of homes, and permits rarely open up. Mixed-use and commercial buildings downtown have more room. Ask city planning whether your address can get a permit.
- [ ] **Get city tax licenses**
  Get a City of Durango business license (which includes a sales tax license) and a lodger's tax license, and file returns on your assigned schedule, even with no stays.
  Durango licensing FAQ: https://durango.munirevs.com/faq/
- [ ] **Taxes on each stay**
  Stays under 30 days owe 2.9% state sales tax plus La Plata County and City of Durango sales taxes and the city's lodger's tax. Airbnb and other platforms collect the state and state-administered taxes on their bookings; for direct bookings, file with the Colorado Department of Revenue. Durango collects its own sales and lodger's taxes; ask the Finance office for current rates and whether Airbnb collects them.

Who to contact

Durango City Clerk: 970-375-5010
Finance: finance@durangogov.org

Official sources

Colorado Department of Revenue: Sales & Use Tax Topics: Rooms & Accommodations-. https://tax.colorado.gov/sales-use-tax-topics-rooms-accommodations

Colorado Department of Revenue: Sales Tax Guide and Colorado Sales/Use Tax Rates (DR 1002)-. https://tax.colorado.gov/sites/tax/files/Sales%2011.pdf

Durango Telegraph: The Airbnb apocalypse (December 9, 2021). https://www.durangotelegraph.com/news/top-stories/the-airbnb-apocalypse/

City of Durango: Licensing FAQ (MUNIRevs). https://durango.munirevs.com/faq/