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Southern Shores vacation rental checklist

Dare County, North Carolina | Rules checked November 6, 2026

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Southern Shores limits vacation cottages in its residential districts to 14 overnight occupants, both in advertising and in septic capacity, and sets minimum trash and recycling cans for rentals. We found no rental permit. Stays pay 6.75% sales tax plus Dare County's 6% occupancy tax.

Licensing steps

STATE OF NORTH CAROLINA

- [ ] **Know who owes the tax**
  Whoever collects the rent reports the sales and occupancy tax: the platform, your rental agency, or you. Airbnb collects state and county sales tax and all local occupancy taxes on its bookings. If guests pay you directly, register with the Department of Revenue for sales tax and with your county or town for occupancy tax.
  NCDOR business registration: https://www.ncdor.gov/taxes-forms/business-registration

- [ ] **Use a written vacation rental agreement**
  The Vacation Rental Act covers owners and agents renting for vacation stays under 90 days. Have the guest accept a written agreement with the required notices, hold advance payments in a trust account, and keep the home fit and habitable with working smoke and carbon monoxide alarms.

- [ ] **Check your zoning**
  Towns can't require you to register a rental, but they can limit short-term rentals to certain zoning districts, require a zoning permit, and set parking, trash, and safety standards. Pick your area for the local rules.

DARE COUNTY, NORTH CAROLINA

- [ ] **Then your town or area**
  Zoning rules for short-term rentals are set by each town, and by the county outside town limits. Pick your area.

TOWN OF SOUTHERN SHORES

- [ ] **List within the cap**
  In the residential districts, a vacation cottage may not be advertised for, built for, or occupied by more than 14 overnight guests, and its septic system may not be sized for more.

- [ ] **Get enough trash cans**
  Rentals of four bedrooms or less need at least three trash and two recycling cans; five bedrooms or more need five and three. The town manager can require more or a dumpster.

- [ ] **Taxes on each stay**
  Stays under 90 days owe 6.75% sales tax plus the local occupancy tax. Airbnb collects both on its bookings. If guests pay you directly, file sales tax with the Department of Revenue. Dare County's occupancy tax is 6%. For direct bookings, file it with the Dare County Tax Department by the 20th of the following month.

Official sources

UNC School of Government: Occupancy taxes and Airbnb. https://www.sog.unc.edu/node/374926

North Carolina General Assembly: Vacation Rental Act (G.S. Chapter 42A)-
. https://ncleg.gov/EnactedLegislation/Statutes/HTML/ByChapter/Chapter_42A.html

UNC School of Government: Short-term rental regulations after Schroeder-
. https://www.sog.unc.edu/blogs/coates-canons/short-term-rental-regulations-after-schroeder-0

Southern Shores (Municode): Code section. https://library.municode.com/nc/southern_shores/codes/code_of_ordinances?nodeId=PTIICOOR_CH36ZO_ARTVIISCDIRE_S36-202SIMIREDI

Southern Shores (Municode): Code section. https://library.municode.com/nc/southern_shores/codes/code_of_ordinances?nodeId=PTIICOOR_CH26SOWA_S26-6DERESINU

Dare County Tax Department: Occupancy tax. https://darenc.gov/departments/tax-department/occupancy-tax