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# Lexington vacation rental checklist

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

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Lexington's Unified Development Ordinance defines a short-term rental as a home rented online for less than a month, but we found no standards or permit for one. Ask the city's planning staff which zoning districts allow it.

> Most High Rock Lake homes with a Lexington mailing address are outside city limits and follow Davidson County zoning instead.

## 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.

### DAVIDSON COUNTY, NORTH CAROLINA

- [ ] **Then your city or area**
  Zoning rules and the occupancy tax depend on whether you're inside a city or town. Pick your area.

- [ ] **Lake homes outside the cities**
  High Rock Lake homes outside Lexington and Thomasville follow Davidson County zoning. Ask Davidson County Planning and Zoning whether a short-term rental is allowed at your address, and whether any occupancy tax applies.

### CITY OF LEXINGTON

- [ ] **Ask where short-term rentals are allowed**
  Because the UDO names short-term rentals as a use, the use table decides where they're allowed. Ask the City of Lexington's planning staff whether your zoning district permits one and whether you need a zoning permit.

- [ ] **Taxes on each stay**
  Stays under 90 days owe 7% 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. Lexington levies its own occupancy tax; ask the city where direct bookings file it.

## 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

City of Lexington (Municode): Code of ordinances. https://library.municode.com/nc/lexington/codes/code_of_ordinances

North Carolina Restaurant & Lodging Association: North Carolina occupancy tax profile (2019)-
. https://www.ncrla.org/wp-content/uploads/2019/08/NC-Occupancy-Tax-Profile-2019-Version-Final.pdf