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Carrboro vacation rental checklist

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

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We found no short-term rental section in Carrboro's Land Use Ordinance; the closest uses are tourist homes and bed and breakfasts, which need a town permit in the districts that allow them. Stays owe 7.5% sales tax, Orange County's 3% occupancy tax, and Carrboro's 3%.

> We read the town's posted Land Use Ordinance articles in November 2026. Confirm with Carrboro Planning before you list.

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.

ORANGE COUNTY, NORTH CAROLINA

- [ ] **Taxes on each stay**
  Stays under 90 days owe 7.5% 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. Orange County's 3% occupancy tax applies countywide. For direct bookings, file it through the county's online portal by the 15th of each month, even when no tax is due. Inside Chapel Hill, Carrboro, and Hillsborough a 3% town tax applies too.
  Orange County occupancy tax: https://orangecountync.gov/836/Occupancy-Tax

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

TOWN OF CARRBORO

- [ ] **Taxes on each stay**
  Stays under 90 days owe 7.5% 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. Orange County's 3% occupancy tax is filed through the county portal by the 15th; Carrboro adds 3%. Ask the town who collects its share from direct-booking hosts.

- [ ] **Ask how zoning treats your rental**
  Carrboro's ordinance separates boarding houses (month-to-month or longer) from tourist homes (overnight or weekly guests). Ask the Planning Department whether your rental counts as a tourist home and which permit, if any, your district requires.

Who to contact

Orange County Tax Office (occupancy tax): 919-245-2124

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

Orange County Tax Office: Occupancy tax. https://orangecountync.gov/836/Occupancy-Tax

Town of Carrboro: Land Use Ordinance, Article II (basic definitions)-
. https://www.carrboronc.gov/DocumentCenter/View/15845/Article-II-Basic-Definitions-and-Interpretations

Town of Carrboro: Land Use Ordinance, Article X (table of permissible uses)-
. https://www.carrboronc.gov/DocumentCenter/View/15853/Article-X-Permissible-Uses-with-table