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Chattanooga vacation rental checklist

Hamilton County, Tennessee | Rules checked November 5, 2026

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Chattanooga requires a yearly short-term vacation rental certificate. Non-owner-occupied (absentee) rentals are allowed only in mixed-use and commercial zones that allow a hotel; owner-occupied (homestay) rentals are also allowed in residential zones inside the city's STVR overlay district. Tax is 9.25% sales plus 8% occupancy.

Three documented violations can cost the certificate after a hearing, and a revoked certificate bars a new one at that property for a year. Renewal must be filed at least 30 days before expiration; a certificate more than 30 days expired can't be renewed.

STVRs aren't allowed in Affordable Housing PILOT properties, and a lot can rent the main house or an accessory unit, not both. The overlay map is kept by the City Council Clerk and was enlarged in June 2024 and October 2025.

Licensing steps

STATE OF TENNESSEE

- [ ] **Register for sales tax**
  Register through the Tennessee Taxpayer Access Point (TNTAP). One registration covers all your rentals in the same city or county. If you take direct bookings, collect 7% plus the local rate and file by the 20th of each month. Once registered, file every month, even a $0 return.
  TNTAP: https://tntap.tn.gov/
- [ ] **Get a business tax license**
  Rentals under 180 days owe business tax. With $3,000 to $100,000 a year in gross receipts in a city or county you need a minimal activity license; at $100,000 or more, a standard license. Booking platforms don't handle this for you.
- [ ] **Know what the platform collects**
  Airbnb, VRBO, and other marketplaces collect and remit sales tax and local occupancy tax on their bookings. Keep records showing they did. For direct bookings, you pay sales tax to the state and occupancy tax to the city or county.
- [ ] **Then your county and city**
  Permits, zoning, and occupancy tax rates are where Tennessee towns differ most. Pick your area.

HAMILTON COUNTY, TENNESSEE

- [ ] **Register for the county occupancy tax**
  For direct bookings, file the county's 4% with the Hamilton County Trustee by the 20th of each month. The Trustee also handles the Chattanooga, East Ridge, Collegedale, and Red Bank city taxes.
- [ ] **Then your city**
  Permits differ a lot from city to city. Pick your area.

CITY OF CHATTANOOGA

- [ ] **Check your zoning and the overlay**
  Use the city's STVR zoning map. If the home isn't your primary residence, it must be in a zone that allows a hotel. A rezoning doesn't help right away: you can't apply for an absentee certificate for 18 months after it takes effect.
  Chattanooga STVR page: https://chattanooga.gov/public-works/land-development-office/short-term-vacation

- [ ] **Apply in OpenGov**
  Apply under oath with a code compliance verification form, deed, proof of insurance, and escape plans. Answer staff within 60 days or the application lapses; review takes about 30 days.
  OpenGov application: https://chattanoogatn.portal.opengov.com/categories/1118/record-types/6504
- [ ] **Pass inspections (absentee)**
  For absentee rentals the city sends the Fire Marshal and a building inspector. Homestay owners must prove residency every year at renewal.
- [ ] **Name a rental agent**
  One agent, 18 or older, available 24/7 and able to reach the property within two hours of a call from the city.
- [ ] **Register for sales and occupancy tax**
  Tax on stays here is 9.25% sales tax plus 8% occupancy tax. Airbnb and VRBO collect both on their bookings. For direct bookings, file sales tax with the state through TNTAP by the 20th of each month. File the city and county occupancy tax for direct bookings with the Hamilton County Trustee by the 20th of each month.

Fees

$250 a year for a homestay, $500 a year for an absentee rental

Homestay application	**$250**
Homestay renewal	**$250**
Absentee application	**$500**
Absentee renewal	**$500**

House rules for guests

Bedrooms: 5 at most

Maximum guests: 2 per bedroom + 2
Bedrooms over 210 sq ft: area ÷ 70, plus 2. Post the limit in the unit.

Minimum stay: 24 hours

Parking: Adequate on-site parking
Not on vegetated areas, as a general rule.

Posting: Certificate, max occupancy, and owner or agent phone

Multi-unit buildings: STVRs capped at 25% of units

Who to contact

STVR email: stvr@chattanooga.gov
Zoning Division: 423-643-5891
Hamilton County Trustee (occupancy tax): 423-209-7270
Hamilton County Trustee (occupancy tax): 423-209-7270

Chattanooga asks for drawings with your application.
Make the site sketch, floor plans, and evacuation maps to scale from your measurements at FireEscapePlan.com.

Official sources

Tennessee Department of Revenue: Taxation of short-term vacation rentals-
. https://www.tn.gov/content/dam/tn/revenue/documents/taxpayer_education/misc/taxation-of-short-term-vacation-rentals.pdf

Tennessee Department of Revenue: SUT-48: Short-term rentals, reporting requirements-
. https://revenue.support.tn.gov/hc/en-us/articles/360058190432-SUT-48-Short-Term-Rentals-Reporting-Requirements

Hamilton County Trustee: Hamilton County Trustee. https://hamiltontn.gov/trustee

City of Chattanooga Land Development Office: Short-term vacation rental (STVR) certificate-. https://chattanooga.gov/public-works/land-development-office/short-term-vacation

City of Chattanooga (Municode): Code section. https://library.municode.com/tn/chattanooga/codes/code_of_ordinances?nodeId=CH38ZO_ARTXVIISHRMVARE_S38-87CERE

Hamilton County Trustee: Hotel/motel occupancy privilege tax return (county and city)-. https://www.hamiltontn.gov/pdf/trustee/docs/CountyBlankTaxForm.pdf

Tennessee Department of Revenue: Local occupancy tax rates report (updated November 4, 2026)-. https://www.tn.gov/revenue/taxes/local-occupancy-tax/due-date-and-tax-rate/local-occupancy-tax-rates.html

Tennessee Department of Revenue: Local sales tax rates map and data report-. https://www.tn.gov/revenue/taxes/sales-and-use-tax/local-sales-tax/local-sales-tax-rates-map.html