LICENSEDRENTAL.COM

Red Bank vacation rental checklist

Hamilton County, Tennessee | Rules checked November 5, 2026

Scan for the latest version

Red Bank requires a short-term rental permit from the city manager's office, allows rentals only in zoning districts that expressly permit them, and mails notice to owners within 300 feet, who have 30 days to object. Tax is 9.25% sales plus 8% occupancy.

Operating without a permit is a $100 civil penalty per day, and listing a property online is presumed to be operating. Three violations in 12 months can cost the permit. Permits don't transfer to a new owner.

We couldn't read Red Bank's zoning ordinance to see which districts allow short-term rentals. Ask the city before you buy.

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 RED BANK

- [ ] **Apply to the city manager's office**
  Apply under oath with owner and agent contacts, your business license number, your hotel-motel tax registration, a scaled site plan with parking, a narrative (rooms, guests, days of operation, trash), a code verification form, and proof of insurance.
- [ ] **Post the notice sign**
  The city mails letters to owners within 300 feet. Post the city's sign at the street for at least 15 days. If anyone objects, the city holds a hearing within 45 days.
- [ ] **Name a rental agent**
  Someone usually present in Hamilton County who can 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. For direct bookings, the Hamilton County Trustee oversees Red Bank's occupancy tax.

Fees

Application, owner-occupied	**$75**
Application, not owner-occupied	**$125**
Annual renewal and inspection	**$100**
Reinstatement after suspension	**$50**

House rules for guests

Bedrooms: 5 at most

Maximum guests: 2 per bedroom up to 140 sq ft
Larger bedrooms: area ÷ 70.

Minimum stay: 24 hours

Multi-family: Max 2 non-owner-occupied permits per person

Who to contact

Hamilton County Trustee (occupancy tax): 423-209-7270
Hamilton County Trustee (occupancy tax): 423-209-7270

Red Bank 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 Red Bank (Municode): Code section-
. https://library.municode.com/tn/red_bank/codes/code_of_ordinances?nodeId=TIT9BUPESOET_CH16SHRMREUN

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