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Farragut vacation rental checklist

Knox County, Tennessee | Rules checked November 5, 2026

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Farragut's zoning prohibits short-term rental units (rented for less than 30 days) in every zoning district. Only rentals the town recognizes as operating legally before May 17, 2018 keep state grandfather protection.

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.

KNOX COUNTY, TENNESSEE

- [ ] **Then your city or area**
  Pick your area.

TOWN OF FARRAGUT

- [ ] **Confirm grandfathered status first**
  Ask the town whether it recognizes your rental as operating legally before May 17, 2018. Otherwise rentals under 30 days aren't allowed; consider monthly rentals.
- [ ] **Register for sales and occupancy tax**
  Tax on stays here is 9.25% sales tax plus 3% town 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. Ask the town where to file its occupancy tax on direct bookings.

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

Town of Farragut (Municode): Code section.
https://library.municode.com/tn/farragut/codes/code_of_ordinances?nodeId=PTIICOOR_APXAZO_CH4GEPREX_SXSHTEREUN

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