LICENSEDRENTAL.COM

Clarksville vacation rental checklist

Montgomery County, Tennessee | Rules checked November 5, 2026

Scan for the latest version

Clarksville requires a city operating permit, with fire and building inspections, for each short-term rental (under 30 days), unless you run only one unit, rent one room in your own home, or rent under six months a year. Taxes are 9.5% sales tax plus 10.75% occupancy tax.

> The exemptions come from a 2021 change the city lists on its permit page; the Municode copy of Chapter 3 doesn't show them yet. Confirm with Revenue & Finance before you skip the permit.

> Rentals that were operating before the September 3, 2020 ordinance can keep running without a permit until sold, unused as a rental for 30 months, or cited three times (state Short-Term Rental Unit Act).

> The 2.75% city hotel-motel tax passed in 2024; the state's report shows it from September 1, 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.

MONTGOMERY COUNTY, TENNESSEE

- [ ] **Pay the county occupancy tax on direct bookings**
  File the Trustee's hotel/motel occupancy tax report with your payment by the 20th of the month after you collect it, with a copy of your state sales tax return. Interest and penalty each run at 12% a year after the due date. Bookings through Airbnb, VRBO, and other marketplaces are remitted through the state, and the Trustee no longer takes monthly payments for those.

- [ ] **Then your city**
  Inside Clarksville city limits you also need a city permit, unless the city exempts you. Pick your area.

CITY OF CLARKSVILLE

- [ ] **Check whether you need a permit**
  The city says no permit is needed if you operate only one short-term rental unit, list only one room in a home you live in, or rent the unit less than six months of the calendar year. Everyone else needs a permit before operating or advertising.

- [ ] **Get city and county business licenses**
  The permit application needs a copy of your City of Clarksville business license; the city's permit page asks for a county business license too.
- [ ] **Apply with Finance and Revenue**
  File the sworn, notarized application with a $150 fee, proof of ownership (your recorded deed), proof of insurance, proof your property taxes are paid, a life-safety affidavit, local contact details, and a site plan and floor plan showing every room, bedroom sizes, and parking spaces. A business owner must show it is in good standing with the Secretary of State.
- [ ] **Pass the fire and building inspections**
  Fire Rescue and Building and Codes each inspect within 15 days of a complete application, and the fire inspection sets your maximum occupancy. You get one re-inspection within 10 days if you fail. The permit lasts one year and can't be transferred; it ends when you sell.
- [ ] **Register for sales and occupancy tax**
  Tax on stays here is 9.5% sales tax + 10.75% 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 county's 8% with the Montgomery County Trustee by the 20th. Ask the city where to file its 2.75% on direct bookings.

Fees

$150 to apply, $120 a year to renew

Application and inspection	**$150**
Annual renewal	**$120**
Transferring a permit Permits can't be sold or transferred.	**$50 a day fine**

Inspection checklist

- [ ] **Smoke alarms (UL 217).** In each sleeping room, within 15 feet outside sleeping rooms, and on every story, including basements.
- [ ] **Carbon monoxide detector.** Within 15 feet of all bedrooms.
- [ ] **Fire extinguisher.** Operational.

House rules for guests

Parking: 1 space per bedroom

Bookings: One party at a time
The main renter must be at least 18. No business use by guests.

Advertising: Show the permit number

Posting: Local contact name and phone
Include a no-loud-noise rule in your house rules and lease.

Food: No meals served for pay

Who to contact

Revenue & Finance (permits): 931-645-7436
Montgomery County Trustee: 931-648-5717

Clarksville 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
Montgomery County Trustee: Hotel/motel occupancy tax reporting. https://montgomerytn.gov/trustee/hotelmotel-airbnb-vrbo-tax
City of Clarksville: Permits: short-term rental unit permit. https://www.cityofclarksville.com/924/Permits
City of Clarksville (Municode): Code section.
https://library.municode.com/tn/clarksville/codes/code_of_ordinances?nodeId=TIT5BUPROC_CH3SHRMRE
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