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Memphis vacation rental checklist

Shelby County, Tennessee | Rules checked November 5, 2026

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Memphis requires a city permit for each short-term rental, with a $300 application fee, a $150 yearly renewal, $1 million in insurance, a responsible party within 50 miles, and the permit number in every listing. Taxes are 9.75% sales tax, 8.5% occupancy tax (5% county + 3.5% city), and $2 a night.

Rentals operating before the ordinance took effect (July 1, 2023) are exempt under state law until the home is sold, stops being a rental for 30 months, or has three violations (§5-44-3). The permit is revoked after three court-found violations tied to the rental.

In June 2026 the city began sending warning letters to unregistered rentals; it counted 1,260 active addresses, 621 of them needing registration.

The city's short-term rental tax is 3.5% plus $2 a night, not the 4% hotel rate. Avalara reported in 2023 that Airbnb collects the city taxes under an agreement with Memphis and Vrbo did not; ask your platform what it collects.

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.

SHELBY COUNTY, TENNESSEE

- [ ] **Know who collects the county 5%**
  Airbnb says it collects all local occupancy taxes in Tennessee on its bookings. For direct bookings, file the 5% county tax with the Shelby County Clerk by the 20th of each month.
- [ ] **Then your city**
  City rules differ a lot: Memphis and Bartlett issue permits, while Germantown and Collierville ban short-term stays in homes. Pick your area.

CITY OF MEMPHIS

- [ ] **Register on Develop901**
  Apply through the Short-term Rental Registry run by the Memphis and Shelby County Division of Planning and Development. Your listing must show the permit number.
  Short-term Rental Registry: https://www.develop901.com/strr
- [ ] **Gather the application documents**
  A site plan drawn to scale with the maximum guests per night, proof of ownership, proof of fire, hazard, and liability insurance of at least $1 million per occurrence, a signed compliance verification form for building, health, and life safety codes, any citations in the last 12 months, and a responsible party within 50 miles who will come to the property to handle complaints. The city may inspect before issuing or renewing.
- [ ] **Renew every year**
  The permit expires 365 days after it's issued. Send the renewal and $150 at least 30 days before it expires. Permits can't be transferred to a new owner or address.
- [ ] **Register for sales and occupancy tax**
  Tax on stays here is 9.75% sales tax plus 8.5% occupancy tax and $2 a night. 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. The county 5% goes to the Shelby County Clerk; the city 3.5% and $2 a night are collected by the City of Memphis.

Fees

$300 the first year and $150 a year after

Application (screening and inspection)	**$300**
Annual renewal	**$150**
Operating without a permit	**Double fees when you apply**

Inspection checklist

- [ ] **Smoke alarms (UL 217).** In every sleeping area and every room on the path out from the sleeping area.
- [ ] **Carbon monoxide detectors.** On every habitable floor.
- [ ] **Posted contact.** Owner or designee's name and phone posted inside; calls answered 24/7 during each stay.

House rules for guests

Principal renter: 18 or older

Minimum stay: 24 hours

Noise and trash: City noise and garbage rules apply

Who to contact

City Treasury: 901-522-1111

Memphis 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

Shelby County (Municode): Code section. https://library.municode.com/tn/shelby_county/codes/code_of_ordinances?nodeId=PTIICOOR_CH40TA_ARTIIHOMOTA

City of Memphis: Licenses and permits. https://memphistn.gov/licenses-and-permits/

City of Memphis (Municode): Code section. https://library.municode.com/tn/memphis/codes/code_of_ordinances?nodeId=TIT5REFI_CH5-44SHTEREOR

Memphis and Shelby County Division of Planning and Development: Short-term rental program update (June 2026)-. https://memphistn.gov/wp-content/uploads/2026/06/STR-Process-Update-6-2026.pdf

City of Memphis Treasury: Hotel/motel occupancy tax return (2026)-. https://memphistn.gov/wp-content/uploads/2026/01/Hotel-Motel-Occupancy-Tax-2026.pdf

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