LICENSEDRENTAL.COM

Austin vacation rental checklist

Travis County, Texas | Rules checked November 8, 2026

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Austin is the second-biggest rental market in Texas. Every short-term rental in city limits needs a city license, now good for two years ($736.60 new, $369.60 to renew). Since July 1, 2026, Airbnb and other platforms must show the license number and take down unlicensed listings when the city asks. Stays owe 6% state plus 11% city hotel tax, which Airbnb collects.

> New Type 2 licenses for houses you don't live in: the city stopped issuing them in 2016, and a 2023 federal court ruling said they must be available wherever Type 1 licenses are. Owners who bought before 2016 are eligible. Ask licensing whether a new Type 2 license is available at your address.

> In September 2025 the council replaced the old 1,000-foot spacing rule with a two-per-site limit and asked staff to study provisional licenses and lower fees.

Licensing steps

STATE OF TEXAS

- [ ] **Know who pays the hotel tax**
  Airbnb collects and pays the 6% state hotel tax on its bookings. If guests pay you directly or through a site that doesn't collect, register with the Comptroller and file the state tax yourself.
  Texas hotel occupancy tax: https://comptroller.texas.gov/taxes/hotel/

- [ ] **Register for local hotel tax**
  Your city (and in some places your county) charges its own hotel tax, filed with that city or county, not the state. Airbnb pays it only in the places on its list; everywhere else you register and file it yourself, even for Airbnb bookings.

- [ ] **Check your city's rules**
  Many Texas cities require a short-term rental permit or registration, and some require an inspection, a local contact, or posted rules. Outside city limits there's usually no permit, but deed restrictions and HOA rules often limit rentals. Pick your area for the local rules.

TRAVIS COUNTY, TEXAS

- [ ] **Then your city**
  Texas counties can't zone, so rental rules come from the city your home is in. Outside city limits there's usually no permit, but deed restrictions and HOA rules may limit rentals. Pick your city.

- [ ] **Outside city limits**
  In unincorporated Travis County, including Austin's extraterritorial jurisdiction, you don't need an Austin license and don't owe Austin's hotel tax. You still owe the 6% state hotel tax, which Airbnb collects on its bookings.

CITY OF AUSTIN

- [ ] **Check that you're inside the city**
  Use the city's jurisdiction map. In the full-purpose city you need a license and owe city hotel tax. In the limited-purpose area you need a license but owe no city hotel tax. In the extraterritorial jurisdiction (ETJ) you need neither.
  Austin short-term rental rules: https://austintexas.gov/str

- [ ] **Pick your license type**
  Type 1 is your own home (owner-occupied). Type 2 is a whole house or duplex unit you don't live in. Type 3 is a unit in a multifamily building. Tenants can apply too, with the owner's written permission. Since February 2025 rentals are allowed with a license in every residential zone.
- [ ] **Apply online**
  Apply in Austin Finance Online and pay the fee. Email a copy of the owner's ID to STRdocs@austintexas.gov. If someone else applies for you, include a notarized agent authorization form. Since October 2025 you don't need a certificate of occupancy or proof of insurance. Expect 6 to 8 weeks for a house.
  Apply for an Austin STR license: https://www.austintexas.gov/department/short-term-rentals
- [ ] **Post the information packet**
  Leave a packet in a common area with your local contact, noise and parking rules, the trash schedule, burn and water restrictions, and ADA information. Put your license number on every listing.
- [ ] **Hotel taxes on each stay**
  Stays of 29 nights or less owe the 6% state hotel tax, which Airbnb collects on its bookings. If guests pay you directly, file it with the Texas Comptroller. Austin's 11% hotel tax (9% plus a 2% venue tax) is collected by Airbnb and other platforms. You still file a quarterly city report showing platform-collected amounts, pay the tax yourself on direct bookings, and file zero reports for empty quarters.

Fees

$736.60 every two years, then $369.60 to renew

New license (two years) $642 license fee plus $94.60 neighbor notification fee	**$736.60**
Renewal (two years) $275 plus $94.60 notification fee	**$369.60**

House rules for guests

Noise: 75 dB at the property line, 10 a.m. to 10 p.m.
Nothing audible past the property line from 10 p.m. to 10 a.m.

Neighbors: Notified at each new license and renewal
Everyone within 100 feet, at your cost.

Who to contact

STR licensing: 512-974-9144
STR licensing email: STRlicensing@austintexas.gov
Hotel tax: 512-974-2590
Hotel tax email: hotels@austintexas.gov

Official sources

Texas Comptroller of Public Accounts: Hotel Occupancy Tax FAQs: Airbnb. https://comptroller.texas.gov/taxes/hotel/airbnb-faq.php

Airbnb: Occupancy tax collection and remittance by Airbnb in Texas. https://www.airbnb.com/help/article/2331

Texas Legislature: County zoning authority (Local Government Code ch. 231). https://statutes.capitol.texas.gov/Docs/LG/htm/LG.231.htm

City of Austin Development Services: Changes to Short-Term Rental Regulations. https://austintexas.gov/str

City of Austin: Important Updates Regarding August 2023 Ruling Impacting Short-Term Rentals in Austin-
. https://www.austintexas.gov/node/25736

City of Austin Development Services: Short-Term Rentals: apply for a license. https://www.austintexas.gov/department/short-term-rentals

Austin Monitor: Council OKs new rules for short-term rentals (September 2025)-
. https://austinmonitor.com/stories/2025/09/council-oks-new-rules-for-short-term-rentals/