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Monterey vacation rental checklist

Highland County, Virginia | Rules checked November 7, 2026

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Inside the Town of Monterey, the 5% lodging tax is filed with the town rather than the county. Ask the county's Building and Zoning office and the town about zoning. Stays pay 5.3% sales tax plus the 5% lodging tax.

Licensing steps

COMMONWEALTH OF VIRGINIA

- [ ] **Know who pays the tax**
  When a platform like Airbnb books the stay, it collects and pays the state sales tax and the local lodging tax for you. If guests pay you directly, register with Virginia Tax for sales tax and with your county or city for the transient occupancy tax.
  Register a business with Virginia Tax: https://www.tax.virginia.gov/registering-new-business
- [ ] **Register with your locality if it has a registry**
  Many counties and cities require short-term rental hosts to register every year. Registration is a simple filing (your name, each address, and the owner's permission if you lease the home), but listing an unregistered rental can cost up to $500 per violation.
- [ ] **Check your zoning**
  Counties and cities keep their power to decide where short-term rentals are allowed and whether you need a zoning or use permit. HOA and condo rules still apply on top. Pick your area for the local rules.

HIGHLAND COUNTY, VIRGINIA

- [ ] **Check zoning**
  Contact the Highland County Department of Building and Zoning in Monterey to confirm your property's zoning allows a short-term rental and whether you need any permits, including for a sign.
- [ ] **Taxes on each stay**
  Stays under 90 days owe 5.3% sales tax, and stays under 30 days also owe the local transient occupancy tax. Airbnb collects both on its bookings. If guests pay you directly, file sales tax with Virginia Tax. Highland County's lodging tax is 5%, reported quarterly. Outside Monterey, file with the Commissioner of the Revenue; inside the town, contact the Town of Monterey.

TOWN OF MONTEREY

- [ ] **Ask about zoning**
  Ask the Town of Monterey and Highland County Building and Zoning whether your home can be a short-term rental and whether you need a permit. Check your deed restrictions too.
- [ ] **Taxes on each stay**
  Stays under 90 days owe 5.3% sales tax, and stays under 30 days also owe the local transient occupancy tax. Airbnb collects both on its bookings. If guests pay you directly, file sales tax with Virginia Tax. Inside Monterey, report the 5% lodging tax to the Town of Monterey (the town keeps 3% and the Tourism Council gets 2%).

Who to contact

Town of Monterey: 540-468-2472
Commissioner of the Revenue (lodging tax): 540-468-2142

Official sources

Virginia Tax: Guidelines for sales tax on accommodations (P.D. 21-116)-
. https://tax.virginia.gov/laws-rules-decisions/rulings-tax-commissioner/21-116

Virginia General Assembly: Short-term rental registries (Va. Code § 15.2-983). https://law.lis.virginia.gov/vacode/15.2-983/

Highland County Chamber of Commerce and Tourism Council: Considerations for Opening a Short-Term Lodging Rental in Highland County, Virginia. https://www.highlandcounty.org/assets/pdf/Highland+Tourism+Council+Considerations+for+Opening+A+Short+Term+Rental