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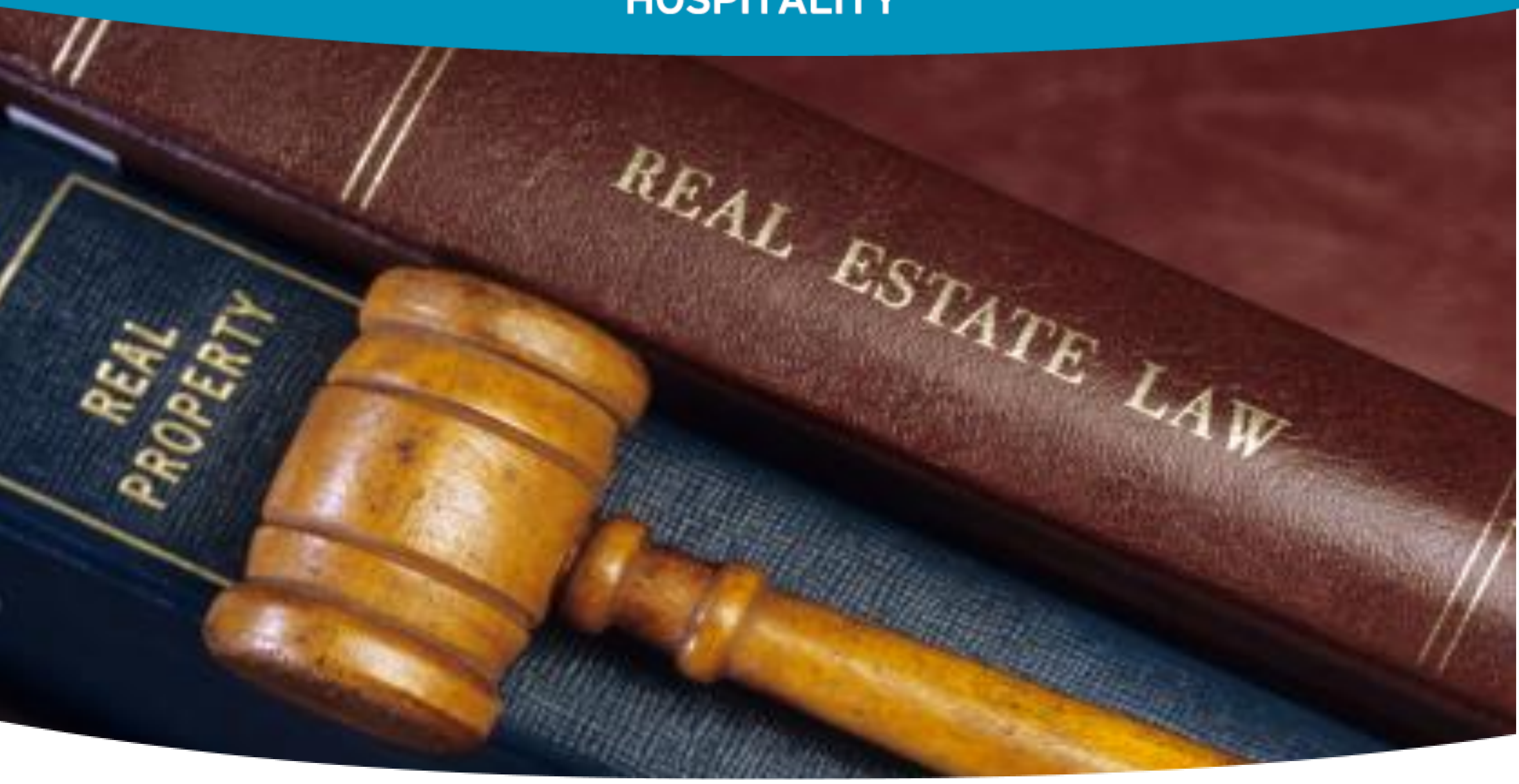

INSETE

EXPERT NOTE

MERCHANT TOURISM & RESIDENTIAL ACCOMMODATION RENTALS IN EUROPE

to:
INSETE

by:
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Ευρωπαϊκή Ένωση
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ΕΠΙΧΕΙΡΗΣΙΑΚΟ ΠΡΟΓΡΑΜΜΑ "ΑΝΑΠΤΥΞΗ ΑΝΘΡΩΠΙΝΟΥ ΔΥΝΑΜΙΚΟΥ"
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ΕΣΠΑ 2007-2013
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ΕΥΡΩΠΑΪΚΟ ΚΟΙΝΩΝΙΚΟ ΤΑΜΕΙΟ

Με τη συγχρηματοδότηση της Ελλάδας και της Ευρωπαϊκής Ένωσης

SUMMARY

PRELIMINARY NOTE & SYNTHESIS

In the current context of deregulation of the short-term tourism rental activity in Greece, this report aims to:

- Provide an overview of existing legal frameworks applicable to short-term rental in a selection of European countries, with a focus on countries and/or destinations that are Greece's key competitors,
- Highlight their differences with respect to regulations applicable to traditional tourism accommodation,
- Analyse the side effects of the development of the short-term rental market,
- Present some possible changes that may be expected in the European countries' regulation framework.

This report aims to be a benchmarking tool for the Greek Hoteliers Association (SETE) that is currently reviewing and proposing changes to the Greek legal framework.

Several key European tourism destinations have been benchmarked: Catalonia (with a focus on Barcelona), the Balearic Islands and Canary Islands in Spain –where the legal framework is different depending on the regions; the French Riviera, Marseille and Corsica in France –where the legal framework is mostly national, but applicable taxes may vary by municipality; Italy (with a focus on Rome), Germany (with a focus on Berlin) and Portugal.

The first section of this report introduces the framework applicable to tourism rentals, i.e. the national/regional legal environments that apply to accommodations and rental activity for tourism purposes in each country/destination, the definition of the different types of accommodation recognized by local laws, and the main elements that set them apart.

The second section is a comprehensive benchmark highlighting key local regulations applicable to each different type of accommodation, going further into details of each national / regional regulation regarding: administrative requirements, rental rules, equipment and services required, applicable taxation.

The last section of this report focuses on the general impact of short-rental activity, on residents, tourism activity, lodging supply, and presents the key proposals of the HOTREC to harmonize European legislation.

On the following two pages, synthesis tables provide a quick overview of legal requirements and taxation applicable to private residential accommodations rented to tourists in countries/destinations analysed.

SYNTHESIS: LEGAL RULES APPLICABLE TO SHORT RENTING IN BENCHMARKED COUNTRIES

Country	Destination	Prior authorization / Declaration required	Max. duration	Fully let / shared apartments	Maximum capacity	Obligation of information	Star classi-fication	Minimal services	Minimal equipment, Health & safety
FRANCE	**Fr. Riviera** **Corsica** **Marseille**	Not necessary if the lodging is the principal residence and it is rented less than 4 months / year, otherwise an authorization (change in use) is required + For **tenants, prior authorization to be obtained from the owner**	Maximum **4 months** per year	Both	No	No	No (principal residence) / Optional	No	**Fire-smoke detectors** + **Swimming-pool safety equipment** (both mandatory in all residential units)
SPAIN	**Balearic Islands**	**Individual isolated properties only** Responsible statement to declare beginning of tourism activity + Registration with the local authorities + Certificate of habitability **Apartments: tourism use not allowed**, + neighbours can **ban occasional rentals** (contracts must be >3 years)	No	Only **fully let** apartments	**12 persons**	Compulsory **public price** + Display of the lodging's **category** and **registration number**	**Compulsory**	Regular **cleaning** of the house + **maintenance** + **reception** of the public + **Assistance 24/7**	Minimum number of bathrooms + Linen + Everything necessary to keep & cook food
SPAIN	**Catalonia / Barcelona**	Prior communication to declare beginning of activity + Registration on the Tourism Register + Certificate of habitability	Maximum **31 consecutive days + 4 months** per year	Both For Room rentals: presence of the owner is required	No (defined by the certificate of habitability)	No compulsory public price Display of the lodging's **category** and **registration number**	Optional	**Assistance** for the tourist + maintenance + must provide **official complaint forms**	Furnished
SPAIN	**Canary Islands**	The lodging must **be located in authorized area (not in tourism areas)** + tourism rentals must be **allowed by the co-ownership association** + Responsible statement of beginning of activity + Certificate of habitability	No set limit, but shall remain "**occasional**" (otherwise, must comply with rules applicable to "commercial" activities	Only **fully let** apartments	No (defined by the certificate of habitability)	Compulsory **public price** + Display of the lodging's **registration number**	No	**Assistance** telephone number **available from 8am to 8pm**	First aid kit, + minimum size for beds + linen + good conditions of health and hygiene
PORTUGAL	**Algarve**	Prior communication to the municipality, filed online	No	Both	**9 units** and **30 persons**	No	**Not authorized**	**Cleaning** at least once a week	Minimum number of bathrooms + Fire insurance If capacity >10: + Fire extinguisher & first aid equipment
ITALY	**Rome**	Declaration to the local authority and local tourism office + *if "professional" activity (rentals >245 days)*, application submitted to the municipal Bureau for economic activities	Maximum **245 days** per year (otherwise, "professional" activity)	Both	**3 rooms**	No	No (occasional rentals) / Optional	No, except for "professional" rentals (reception, cleaning once a week, maintenance)	No
GERMANY		For **tenants, prior authorization to be obtained from the owner** (in Berlin) : +**License required** for using accommodations for purposes other than residential ; license to be obtained from municipal district authorities	No set limit, but shall remain "**occasional**" (otherwise, must comply with rules applicable to "commercial" activities)	Both	No	No	Optional	No	*General building construction standards defined at a regional level*
GREECE		No license required (as of November 2015)	No	Both	No	No (as of 11/15)	No (as of 11/15)	No	If capacity >19: fire certificate + extinguishers & emergency exits

In grey: no/low requirements. **In red**: requirements applicable.

SYNTHESIS: TAXATION APPLICABLE TO SHORT RENTING IN BENCHMARK COUNTRIES

	Tax on the revenue	Local/real estate taxes		VAT	City tax
Marseille	No, under a certain threshold (annual rental revenue < 134 € / m²). Above, gross rental revenue included in the **income tax** base	Property tax: 22.9%-23.8% of a **cadastral value index**	Housing tax: 41.9% of an **administrative rental value index**	No, except if tourist services are provided (10%)	Yes (from 2016)
Nice / French Riviera		Property tax: 23%-36.9% (Nice) / 14.2%-17.5% (Cannes) of a **cadastral value index**	Housing tax: 21.3% of an **administrative rental value index**		No
Corsica		Property and housing tax applicable to the local municipality (**rates are defined by city councils**)			No
Balearic Islands	Yes, **taxation as a commercial activity**	Property tax: 0.5% to 1.1% of the **cadastral value of the property**		**10%**	Project (from 2016)
Barcelona & Catalonia	Yes, included in the **income tax** base	Property tax: 0.4% to 1.1% of the **cadastral value of the property**		No	Yes, **€0.65 per night per person** (Barcelona), €0.45 / night / person (rest of Catalonia)
Canary Islands	Yes, **net rental income** included in the income tax base **(charges can be deduced)**	Property tax: 2.7% to 3.1% of the **cadastral value of the property**		**7%**	No (project being reviewed)
Portugal	Yes, **simplified regime** applicable to independent professionals (IRS, 15%)	Property tax: usually 0.3% to 0.8% of the value of the property		**6%** (if revenue > €10,000)	No in accommodations (Lisbon: from 2016, will be €1/night/person), but **€1 per arrival at airport or port**
Italy	Yes, for "occasional" renters included in the **income tax** base, for "professional" renters (>245 days / year), **same regime as tourism accommodations**	Property tax, municipal rate applicable to a **cadastral value index** Rome: 0.5% for the principal residence, 1.06% for secondary residences		No, except for "professional" rentals (10%)	No
Germany	Yes, for "occasional" renters included in the **income tax** base, for renters "carrying a business" **business tax / income tax when thresholds are reached**	Property tax (Grundsteuer): 0.26% to 0.35% x **municipal rate multiplier** of the property's assessed value		No	Yes, **5% of room rate**
Greece	Yes, 11%-15% of the net rental income (if <€12,000), up to 33-35% above €12,000	Property tax (ENFIA): €2 to €13 / m² + 0.1% to 1% supplementary tax for individuals (€300,000 tax-free bracket)		No	No

In grey: no taxation. **In red**: taxation applicable.

1. LEGAL FRAME AND DEFINITIONS

Spain

In Spain, regions ("*Comunidades autónomas*") are the competent authorities regarding tourism accommodation regulation (Spanish constitution, article 148.1.18º). Therefore, there is no unified legal framework regarding tourism and residential lodging in Spain. In this report, three Spanish regional destinations are analysed: Catalonia (incl. Barcelona), the Balearic Islands (incl. Majorca), and the Canary Islands.

- **Catalonia and Barcelona:**

Two types of private residential accommodation are allowed for a tourism use. Both need administrative registrations and authorizations. The two legal frameworks are:

- **Accommodation with a tourism use** ("*Viviendas de uso turistico*", also known in Catalonia as "*H.U.T - Habitatge d'Ús Turístic",* from its name in the 2012 law): The owner of a flat or a villa can rent it to tourists, directly or not, under certain conditions; the owner has to declare it as a commercial activity. Renting a residential apartment to tourists occasionally without authorization is forbidden.
- **Rural accommodation** ("*Establecimientos de alojamiento de turismo rural*"): it is a specific form of renting in rural spaces, also under conditions. Buildings can be rural accommodations only if they meet criteria defined by the article 49 of the "*Ley 13/2002, de 21 de junio, de turismo de Cataluña"* and decree 159/2012 "*de 20 de noviembre, de establecimientos de alojamiento turístico y de viviendas de uso turístico*". They must be:
    - located in rural areas (villages of less than 2,000 thousand inhabitants or isolated areas),
    - within a building originally built before 1950, that respects the architectural style of the area and meet the requirements of visual integration in the landscape,
    - compliant with local urban planning regulations.

- **Balearic Islands:**

The tourism law of August 2012, completed by a decree ("*Decreto 20/2015 de 17 de abril de desarrollo de la Ley de Turismo de les Illes Balears"*) published on April 18, 2015, allows the rental of residential **accommodation for a tourism use** only for:

- Individual isolated properties: an "isolated property" is the only one standing on its parcel; it can be an attached house as long as it is alone on its parcel,
- Connected individual properties: these are houses located on one single parcel under a specific horizontal property regime ("*ley de propiedad horizontal*"), or attached houses on different parcels that stand against the same wall,
- Rural accommodation.

In other words, the law allows the rental of isolated and semi-detached residential houses (even if they are located in an urban setting) and the rent of "traditional" rural guesthouses, but not that of apartments.

Through the abovementioned framework, the law defines the conditions under which rentals *for tourism use* are possible. However, it shall be noted that this legal framework, defined by the Article 41 of the "Ley 8/2012" does *not* cover **residential accommodation rented for another purpose than tourism**. These can be rent to third parties for occasional stays, if:

- they do not use any tourism-related terms in their advertising,
- they do not use tourism distribution channels,
- the rental contract specifies that the purpose is not a "tourism rental" but a rental for an "occasional stay", also different from a residential stay.

In other terms, it is technically allowed to rent an apartment flat if it is not officially on a tourism purpose and the online channels used to commercialize their accommodations do not mention words such as "tourism" or "vacation".

- **Canary Islands:**

Two regulation tools define the legal framework for accommodation rentals in the islands: Law 7/1995 for Organization of Tourism in the Canary Islands, and the 113/2015 decree (released in May 2015). They notably regulate "***viviendas vacacionales***" (vacation rentals), which have the following definition criteria: accommodation with furniture, ready to be occupied, sold and advertised on tourism distribution channels, to be rent occasionally and totally to third parties, against payment.

The law is quite restrictive as it defines some areas and zones where accommodation rental is totally forbidden: it is therefore the *location* of the lodging which defines whether it can be rent.
However, just like in the Balearic Islands, those restrictions apply to accommodation rented for a tourism use only, but not to those **rented for another purpose** and using other distribution channels.

France

In France, the legal framework is national, although the "Code du Tourisme" defines elements for which municipalities, counties ("départements") and regions are the relevant authorities. There are several accommodation types, differentiated according to their purpose, "residential" or "commercial", which imply different requirements. Private individuals can rent their residential lodging for a tourism use under conditions that are different from those applicable to professional tourism accommodations. The "ALUR" law (loi n°2014-366 du 24 mars 2014 pour l'Accès au Logement et un Urbanisme Rénové) allows people to rent their principal residence for short stays without an authorization, under several conditions.

The legal framework in France is national; therefore the same rules apply to all analysed destinations: Marseille, Nice and Cannes (the French Riviera) and Corsica.

Two types of "residential" lodgings may be rent to occasional customers (under specific conditions):

- Principal residence: owners are authorized to rent their main residential lodging for short stays to occasional customers, provided the lodging is not the customer's residence and under conditions detailed hereafter in this report. Such commercialization does not require any specific status; there is no need to change the status of the lodging for it to be available on a "tourism" use (ALUR law).
- Furnished rentals ("location meublée") used on a residential purpose: under this regime, the lodging has to be rent for at least 9 months (for students) or one year: renting for a night or a week is therefore forbidden. The lodging unit cannot be subleased by the lessee without the owner's authorization. An authorization is required for the residential unit to be turned into commercial accommodation.

Those residential lodgings can also change their official use and be turned into real estate with a "commercial" use after an authorization; in this case they can be legally rent for a tourism use, under specific regimes:

- Seasonal rentals, "*Meublés de tourisme*": villas, apartments or furnished studios, can be rent to occasional customers. The stay is characterized by a daily, weekly or monthly rental payment. Customers cannot make the lodging their home.
- Rural accommodation ("*Chambres d'hôtes & gîtes*"): furnished rooms and B&Bs in a private home, where the inhabitant provides services (typically the welcome and breakfast).

Conditions applicable to these different regimes are detailed hereafter in this report.

Germany

As in Spain, in Germany there is no unified law applicable to tourism accommodation for the whole country, but different laws defined by the regions, "Länder". However, generally speaking it can be said that in leading destinations, renting an apartment is allowed *only if it is rented "occasionally" to third-parties, and not in a "commercial" way*. The limit between "occasional rent" and actual "business" is not always very clear. At the Federal level, general rules are defined under the laws regulating commercial and industrial business, or Industrial Code (*GewO - Gewerbeordnung*), while regulations specifically related to leasing are described in the German Civil Code (*BGB - Bürgerlichen Gesetzbuches*).

Construction laws in Germany are state-level laws, meaning each region may have different legal requirements for different types of buildings. Most "*Länder*" base their final building regulations on model laws that were developed jointly by all regions. Two model laws are very important in this coherence scheme: the "*Muster-Bauordnung*" (MBO), which regulates the requirements that must be followed for all construction projects (housing construction included), and the so-called "*Muster-Beherbergungsstättenverordnung*" (MBeVO) which applies to hotels with more than 12 guest beds. The MBeVO is not applicable to buildings with residential apartments, so only the requirements of the "MBO" apply to general apartments/flats rented on tourism purposes. The MBO is updated on a regular basis by the ARGEBAU ("*Bauministerkonferenz*"). Also, it remains a mere guideline, meaning only the regional "*Landesbauordnung*" are legally enforceable.

In addition to these legal frameworks, there are now more and more cities that implement so-called "misappropriation prohibition acts" ("*Zweckentfremdungsverbotsgesetze", or* ZwVbG*)*; cities with such regimes include Berlin, Hamburg and Munich. Berlin passed its ZwVbG on 29. November 2013; the law was completed with several provisions over the course of 2014. The aim of this local regulation is, among others, to prevent the existing residential supply from being converted into apartments for tourists and office spaces. Clauses differ in each city regulation acts but generally ban owners and tenants alike from renting an apartment on "commercial" purposes. This includes private tourism accommodation. It is still allowed to rent "occasionally" through third parties such as Airbnb, Wimdu, 9flats or others, but as soon as people turn this into a "business" – even if it is only one room within one's apartment– it falls under the scope of the local legislation and is therefore forbidden. But no further limitations (like the number of rooms, beds, etc.) exist. Tenants must obtain the permission from their landlords.

In Berlin, this Act came into force on May 1, 2014. Since then, the use of housing in Berlin for non-residential purposes (incl. tourism) requires a license. The license must be requested from the district authorities, which depend on the physical location of the apartment. Flats that were already available as of May 1, 2014 as "offers of the sharing economy", benefited from a two years extension period (ie. until 30 April 2016) during which they can run without a license, provided they register in time. The same date, May 1, 2014, a similar legislation came into force in Munich – after the city passed a first comprehensive legislation on the subject in late 2013 (*Satzung der Landeshauptstadt München über das Verbot der Zweckentfremdung von Wohnraum*).

Given the rather vague definition of use on a "commercial" or "business" purpose, identifying whether there is a situation of misappropriation or not depends on each individual case. So there is ample room for interpretation and case laws settled by legal authorities shall play a key role in shaping future regulation and practices.

Administrative procedures for private accommodation hosting tourists can be different from city to city. Apart from the Misappropriation Prohibition Acts (which exist only in some cities) there is no special registration required. The conditions for the existence of a "business" are easily met in Germany, so a business registration could theoretically be needed rather quickly, but for the moment many owners tend to benefit from the fact several legal areas remain unclear. A classification applicable to private room rentals also exists in Germany, but it is only on a voluntary basis.

Italy

In Italy, the legal framework appears relatively flexible: private individuals are allowed to rent their private accommodation for a tourism use, under some conditions. Regulations are mostly national, even though local authorities have been increasingly active in establishing local measures and taxations, especially in the touristic cities of Rome, Florence or Venice.

Depending on the location of the residential accommodation and the number of rooms it offers, rental is considered **either a professional (imprenditoriale) or non-professional activity (occasionale)**. Maximum capacity depends on the region, for example in Rome:

- **Non-professional activity:** if the lodging provides less than 3 rooms and is rented less than 245 days per year, the rental activity is considered as "occasional". The renter must still register with the local authority and the local tourism office, providing details regarding the location of the accommodation, or the number of rooms and bathrooms it offers.
- Otherwise, the rental activity is considered as **professional**. The renter has several obligations regarding services and equipment, and the lodging can be classified. It must sign a "rental contract for residential units exploited for tourism". Taxation rules are those applicable to businesses.

Rural accommodation activity is regulated by the National Tourism Law (*Legge 29 marzo 2001, n. 135 - "Riforma della legislazione nazionale del turismo"*) defining a national frame. Each region can adapt it but the law defines obligations regarding the duration of the activity and maximum capacity. The renter has to be present during the stay, or be available nearby.

Regarding other traditional tourism accommodations, an application must be submitted to the Bureau for Production Activities (*Sportello Unico per le Attività Produttive*) of the local authority.

The legislation has evolved significantly since the last major act regulating the sector and defining the requirements regarding contracts of touristic rentals, the *Legge n°431/98* (*Disciplina delle locazioni e del rilascio degli immobili adibiti ad uso abitativo*) of December 9, 1998.

- *Codice della normativa statale in tema di ordinamento e mercato del turismo, a norma dell'articolo 14 della legge 28 novembre 2005, n. 246, nonche' attuazione della direttiva 2008/122/CE, relativa ai contratti di* *multiproprieta', contratti relativi ai prodotti per le vacanze di lungo termine, contratti di rivendita e di scambio. (11G0123)*

The *Codice del Turismo* (D.Lgs. 79/2011) also has a central role for professionals of tourism and occasional renters alike. Its Article n°53, describing rentals of residential accommodations for touristic purpose, also refers directly to the Civil Code and its section regulating leasing.

Portugal

Among a comprehensive legal corpus of almost thirty decrees, ordinances and ministerial orders, the *"Decreto-Lei nº 15/2014"* of January 23, 2014, is certainly the most significant. It describes the rules regulating residential and tourism accommodations, amending for the second time the *"Decreto-Lei nº 39/2008"* of March 8, 2008, establishing a legal framework to install and operate tourism-oriented rentals. The *"Decreto-Lei n°128/2014"* from August 29, 2014, makes it mandatory for renters of residential accommodations to inform the local municipality in order to continue short term lettings. This new obligation came into force on November 27, 2014.

The legal framework of residential accommodation rental in Portugal offers more flexibility than in most countries. The law only differentiate "**local accommodation**" (seasonal rental by private individuals) and "**tourism establishments**" including hotels, extended-stay hotels, complex, resorts, camping and rural accommodation. It shall be noted that, in contrast to other countries, regulations applicable to rural accommodations are the same as those applicable to "professional" tourism establishments, such as hotels.

- According to Portuguese laws, short term rentals (less than 6 months) do not require a written contract. Residential accommodations of this type are classified in a specific law and called ***"alojamentos locais"***. It is mandatory for renters to advertise as a rental property. They cannot, under any circumstance, identify their rental property using traditional tourism classifications.

In the case of tourism accommodations, lodgings must be located in an area defined by urban planning regulation. There is an obligation to declare the activity to the authorities. These "**empreendimentos turísticos**" encompass hotel establishments, tourist resorts, holiday apartments, and rural hotels. Each one of these categories is regulated by specific ordinances (Portaria), last updated in 2008. *Turismo de Portugal* is the official body regarding the classification of these tourism establishments, from hotels to rural accommodations.

Greece

Until November 2015, the rental of private accommodations was regulated by the Law 4254/2014, updated by an amendment in 2014 regarding the maximum rental duration and new rules regarding the Registration number. The law differentiated two types of accommodation that could be rented for tourism purposes, depending on the duration of the rental:

- "**Tourist furnished house or apartment**": Lodgings rented to third parties for *less than 30 days* were considered as holiday rentals. They were therefore considered "tourism accommodations": they required a license (called EOT) delivered by the Greek National Office and the registration of the lodging as a small business with the Greek tax office. The lodging had to display its Registration number in advertising since 2014. The license required many administrative documents: passport, certificate that the renter had no criminal record, no outstanding tax liabilities, a copy of the rental agreement contract, certificate of water purity for the property, and an environmental and architectural survey proving the property was suitable for rental purposes. If the lodging was part of a block, a license was required for the whole block. Lodgings could be rented on a weekly basis. Several criteria had to be met by the lodging: the property had to be accessible by road, rooms had to meet a minimum size, and there were stringent requirements for pools (depth markings, warning signs, lifeguard required if deeper than 1.5 meters). This category included "furnished tourist houses" (single house or villa on one plot), "furnished tourist apartments" (apartment or house on a shared plot) and Villas.
- **Lodging rented for more than 30 days for a tourism use**: any house or apartment could be rented for at least one month, to anyone for any purpose. The rental was not considered as a tourism business; that is why the owner did not require any authorization and was not registered as a tourism professional. However, the owner had to register the rental agreement using the electronic system of the Ministry of Finance, therefore declaring the rental income, taken into account in the annual tax declaration.

Since November 1, 2015, **tourist accommodation and furnished properties rental has been totally deregulated** in Greece with the Law 4336/2015 published on August 14, 2015. This law enforces deregulation policies applicable to the short rental market, abolishing notably the duration threshold of 30 days, below which the lodging was considered as a “tourism accommodation” and needed administrative authorization. The distinction between the two categories detailed here above is not applicable anymore, unlocking the market for short rentals. As of November 2015, anyone owning a property is allowed to rent it to third parties, for any duration, without any authorization required. Private lodgings rented for tourism use are considered “lodgings” and are legal under the law of urban property and urban leasing. According to Greek tax laws, property owners who wish to rent must proceed with the timely entry of electronic elements of any lease via web application (Electronic Government Directorate) to obtain an individual registration number for each lease.

Regarding hoteliers, the Greek Civil Code of 1946 includes regulations on the rights and obligations of hoteliers and hotel guests (articles 834 – 838). Regulations of relations between hotel guests and hoteliers are defined by the Law 1652/1986.

2. KEY REGULATIONS ELEMENTS

The following pages feature tables analysing the legal requirements regarding:
- "private" individuals lodging rental, including:
  - seasonal rentals and rental of principal residence to tourists or occasional customers,
  - rural accommodation, as a specific and clearly defined lodging mode for hosting tourists by private individuals,
- "traditional" tourism accommodation, meaning establishments operated by professionals (hotels, extended-stay hotels, etc.), and rural accommodations in the case of Portugal where the same regulation applies.

Four different tables will highlight the different legal requirements applicable to rentals by private individuals, compared to traditional tourism accommodation:
- Prior legal requirements to rent a lodging for tourists, regarding administrative authorizations, legal obligation of the lessee…
- Requirements regarding rental conditions to tourists by private individuals: time limitations, presence of the owner, capacity, fully let apartment or shared apartment…
- Requirements regarding the marketing towards customers: information, price advertising, classification…
- Minimal services and compulsory equipment, notably regarding health and safety.

Another table will compare more specifically key features in terms of taxation applicable to rentals by private individuals, as opposed to tourism accommodations.

2.1. Prior legal requirements: declaration / authorization of activity

	Short stay rental / residential accommodation (private individuals)	Rural accommodation (private individuals)	Tourism accommodation (professionals)
France (& French Riviera, Marseille, Corsica)	**Principal residence:** No declaration required (ALUR Law), except if the residence is rented frequently (more than 4 months a year) for short stays to occasional customers, and is not considered as a principal residence anymore: in this case an administrative authorization (recognizing the "change in use") is required to turn it into a "seasonal rental". If the renter is the lessee, an authorization from the owner is required to sublease (if the contract has been signed before March 2014). The tourist rental fare has to be lower than the lessee's rent. In furnished rentals for residential use *other than the principal residence*, renting for a night or week is forbidden. **Seasonal rental:** A declaration to the local authority where the lodging is located is required. It includes the address, number of beds, planned rental periods, and grading - in some cities (Paris, petite couronne, cities with more than 200,000 inhabitants) an authorization by the local authority recognizing the "change in use" (from principal residence to seasonal rental) is needed. This obligation only applies for seasonal rentals and not for principal residences.	- Declaration to the local authority - Obligation to register as a company ("Registre du Commerce et des Sociétés") in case of a commercial activity, meaning the habitual activity includes the rental of a room and services. However, there may be an exoneration of this obligation for a specific status "auto-entrepreneur" (self-entrepreneur), available to service businesses generating less than 32,900€ in annual revenue. - Obligation to register to a Centre de Formalité des Entreprises - The renter has to be the owner or tenant of the residence with the owner's authorization.	- Authorization of opening from the prefect is required; after on-site controls a compliance visa is delivered and a prefectoral ''decret'' is published - Obligation to register on Registre du Commerce et des Sociétés. The building and operation of tourism accommodation must comply with regulations of commercial town planning rules and of the Commercial Code.
Balearic islands	**Individual properties** - Responsible statement to declare beginning of tourism activity ("Declaracion responsible de inicio de actividad turistica" (DRIAT)): the renter states compliance, under her/his responsibility, with legal requirements to start a tourism activity. -Prior communication ("comunicacion previa"): the document includes duration of tourism activity (occasional or permanent) and maximum capacity. - Registration on the business register, "Registro Insular de Empresas, Actividades y Establecimientos Turisticos". In case of properties under horizontal regimes, owners must declare that the vacational rental is in accordance with the regime. - 24€/ room fee to obtain the authorization. - Certificate of habitability **Other properties (apartments)** If rented occasionally to third parties, yet not for a "tourism" use: no legal requirement. If tourists hinder neighbours, neighbours can ask for rent for short stays to be forbidden (in this case, the minimum rental duration is 3 years)	- Responsible statement to declare beginning of activity. ("Declaracion responsible de inicio de actividad turistica" (DRIAT)): the renter states compliance, under her/his responsibility, with legal requirements to start a tourism activity. - Prior communication ("comunicacion previa"); the document includes duration of the tourism activity (occasional or permanent) and maximum capacity. - The lodging must - be built before 1960, - be located in a tourism and agrarian area, - cover a minimal 21,000 sqm area, - be an agrarian exploitation, - be registered in the Registro General de Explotaciones Agrarias de Baleares.	- Responsible statement to declare beginning of activity. ("Declaracion responsible de inicio de actividad turistica" (DRIAT)): the renter states compliance, under her/his responsibility, with legal requirements to start a tourism activity. - Prior communication ("comunicacion previa"); the document includes duration of the tourism activity (occasional or permanent) and maximum capacity. - Registration on the business register, "Registro Insular de Empresas, Actividades y Establecimientos turisticos". A hotel licence must be obtained from the Regional Tourism Authorities to commence trading.

Barcelona **Barcelona**	**Vacation rental / room rental:** - Prior communication to declare beginning of activity (communicacion previa de inicio de actividad) to the local authority, filed by the owner/renter under her/his responsibility and including the maximum legal capacity, data details of the owner and the lodging (name, address), telephone number of the renter, identification of the society in charge of maintenance and assistance, responsible statement, certificate of habitability ("cedula de habitabilidad"). - Lodging is then registered on the Tourism Register of Catalonia. - Certificate of habitability	Forbidden to provide another kind of accommodation (tourism apartments, vacation rentals, hotel accommodation) than rural accommodation. No activity or event is allowed for more than 15 persons.	- Responsible statement to declare beginning of activity: under her/his responsibility, the owner declares that the lodging meets the required criteria. - Declaration to the Oficina de Gestion Empresarial, which includes the maximum capacity of the lodging. - Registration to the Tourism Register of Catalonia.
Canary Islands	**Vacation rentals**: - Renting on tourism purposes is banned for all residential properties located in tourist zones and urban tourist zones. - Rentals on a tourism purpose must be allowed by the co-ownership association contract, meaning neighbours & the local community may have an oversight role - Where it is allowed, responsible statement of beginning of activity ("declaracion responsable de inicio de actvidad") to the local authorities and registration to the "Registro General Turístico of the Comunidad autónoma de Canarias". - Certificate of habitability ("cedula de habitabilidad"). **Other properties (apartments)** cannot be rented for a tourism use, but can legally be rented occasionally to third parties if not explicitly on a tourism purpose.	**Casa Rural**: - Must be located in an agrarian area, - The building must be listed on the historic heritage of the Comunidad Autonoma de Canarias, and equipped with a kitchen. - Declaration to the local authority and registration on the "Registro General Turístico of the Comunidad autónoma de Canarias". -Certificate of habitability	- Responsible statement of beginning of activity to the municipality. - A hotel license must be obtained from the Regional Tourism Authorities in order to start operations.
Portugal	**Local lodgings**: - Prior communication to the municipality, filed online. - A maximum of 9 apartments/building can be rented, otherwise another legal regime (tourism apartments) applies	- Declaration of the start of activity to local authorities	- Tourism accommodations must be located in specifically designated areas, defined by urban planning regulation schemes.
Italy (& Rome)	**Rental as an occasional activity**: - Declaration to the local authority and local tourism office, with the location, number of bathrooms, number of rooms. **Rental as a professional activity**: - Application must be submitted to the Bureau for economic activities (*Sportello Unico per le Attività Produttive*) of the local municipality	- Request for the creation, the local authority provides an authorization to operate	- Application submitted to the Bureau for economic Activities (*Sportello Unico per le Attività Produttive*) of the municipality. - In case of a new opening, the hotel category and name approval forms shall be obtained from provincial administrative authorities; - And an "anti-mafia" self-declaration, stating personal and professional good standing and integrity, is required.

Germany (& Berlin)	- It is not allowed to rent a residential unit (whether you are a tenant or an owner) in a commercial way; it is allowed only if the lodging is rented occasionally to third parties. - In Berlin, a licence is required for using accommodation for purposes other than residential; it shall be submitted to authorities of the district where the apartment is located. Flats that were already available as "offers of the sharing economy" as of May 1, 2014, benefit from a two years transition period during which they may run without a license (until 30 April 2016), if they registered in time. - If the renter is the lessee, the owner's agreement is required.		- Hotels may only be constructed within certain areas as set out in the local development plans. - The hotel and food licence (Hotelbetriebs- und Gaststättenerlaubnis) is granted to a particular person as licensee.
Greece	No license required since November 2015		- Environment approval and suitability of the plot - License to operate issued by the Regional Directorates of Tourism of the Hellenic Tourism Organization

2.2. Minimum-Maximum duration / presence of the owner

	Residential accommodation for tourism use	Rural accommodation
France (& French Riviera, Marseille, Corsica)	- Maximum rental duration - for principal residence: 4 months cumulated / year - for seasonal rentals: 90 consecutive days per rental. 9 weeks cumulated, up to 6 months and even up to 1 year in some tourism regions as in French Riviera and Marseille. - Maximum of beds available in the lodging (no maximum capacity is precised) - Presence of the owner not required - Shared vs fully let rentals: Only "fully let" lodgings are allowed for seasonal rentals (=no shared apartments); no limits to renting one's principal residence	Guesthouses: - Maximum rental duration: 90 consecutive days - Maximum capacity: 5 rooms and 15 persons - Presence of the owner: Required if the rooms available for rent are in the owner's principal residence - Shared vs fully let lodgings: Rural accommodation rentals can be either shared accommodation (in the case of guesthouses, "*chambres d'hôtes*") or fully let lodgings ("gîtes")
Balearic Islands	**Individual properties** - Maximum rental duration: no - Maximum capacity: 6 rooms / 12 persons - Shared vs fully let rentals: Only fully let lodgings are allowed (=no shared apartments) **Other properties** (if not rented on "tourism" purposes): no requirement	No maximum/minimum duration - Shared vs fully let rentals: both are allowed
Barcelona	**Vacation rental** - Maximum rental duration: less than or equal to 31 consecutive days, 4 months per year - Maximum capacity: capacity indicated in the certificate of habitability ("*cedula de habitabilidad*") For Room rentals: max 2 rooms - Presence of the owner: Required for room rentals / not required for apartment rentals - Shared vs fully let rentals: both are allowed	- Maximum capacity: ○ Masias and shared casa de pueblo: min. 1 room and 2 beds, max: 15 beds ○ Casa de pueblo and masoverias: min. 4 beds, max 15 beds - Presence of the owner: Required in the lodging or at least in the same village - Shared vs fully let rentals: Shared accommodation rentals are allowed, except for masoverias (agritourism)
Canary Islands	**Vacation rental** - Maximum rental duration: No limit is set but occupation must not turn into commercial use - Maximum capacity: according to the capacity described in the habitability certificate - Presence of the owner: not required - Shared vs fully let rentals: Only fully let apartment rentals are allowed **Other properties** (out of the "tourism" regulation framework): no requirement	Not precised
Portugal	**Local accommodation** - Maximum rental duration: No limit is set. Daily, weekly or monthly rentals are allowed. - Maximum capacity: 9 rooms and 30 people - Shared vs fully let rentals: both are allowed	No limit set (same regulation framework as other "traditional" merchant accommodations like hotels)
Italy (& Rome)	**Occasional rental** - Maximum rental duration: less than 245 days per year - Maximum capacity: in general, 3 rooms **Professional rental** - Minimum rental duration: more than 245 days per year - Maximum capacity: in general, 3 rooms	- Maximum rental duration: Activity must be suspended at least 90 days per year, not necessarily consecutive - Maximum capacity: In general 3 rooms (4 to 6 in some regions), between 6 beds minimum and 20 beds maximum according to the region. - Presence of the owner: Required in the same building or nearby
Germany (& Berlin)	- Maximum rental duration: No, but it is allowed to rent only "occasionally" to third parties - Shared vs fully let lodgings: both allowed	Not precised
Greece	- Maximum rental duration: no - Maximum capacity: no - Presence of the owner: not required Shared vs fully let lodgings: both allowed	Not precised

In the analysed destinations, the rental of residential accommodation to tourists is often forbidden without authorization or prior declaration of activity. However there may be loopholes in the legal framework. For instance, in the Balearic and Canary Islands, where the legal framework is very restrictive regarding tourism accommodation rentals by private individuals, there is no requirement regarding other "purposes" of occasional rentals. However, in those two regions, apartments rented on "other" purposes may not be distributed through tourism channels or mention tourism-related terms in their advertising, which is a limit to their marketing as tourism accommodations. In France, no declaration of activity is required except if the rental activity is deemed too "frequent" (more than 4 months a year) and must be considered as a commercial activity. A similar rule applies in Germany, where the law allows "occasional" rentals and bans "professional" rentals, leaving room for interpretation through future case-setting by the judiciary authorities.

Even if lacks exist, it shall be underlined that *renting a private residential lodging to tourists use is regulated in all the analysed countries except in Greece and may require a specific status*: "individual properties" in Baleares, "local lodging" in Portugal, "vacation rental" in Catalonia, "viviendas vacacionales" in the Canary Islands, "occasional activity" in Italy, "seasonal rental" (optional) in France. The liberalization law in Greece cancelled the specific status for "Tourist Furnished house or apartment" which required prior authorization, following a heavy administrative process.

In other countries except in France for the main residence and under specific conditions (in particular, a maximum of 4 tourism rental months per year), those statuses all require *prior declaration of activity to the local authority* where the lodging is located, with basic information a regarding the lessee and the lodging. In Spain, the lodging is then registered on the local Tourism Register and *assigned a registration number*. This allows the authorities to control the private supply and to eventually ban it, if needed. In Barcelona, local authorities *stopped delivering authorization of activity in some districts, where it considered renting on a tourism purpose is forbidden by applicable district urban planning regulations*. In the Canary Islands, the decree of 2015 *prohibits accommodation rental in tourist areas and urban tourist zones*, which means no authorization is delivered to private accommodations located in tourist areas, hence safeguarding the "traditional" tourism industry. In Berlin and in other cities in Germany, "Prohibition Acts" aim to prevent the residential supply from being converted into tourism accommodation. Furthermore, tourism rental activity requires the authorization of the residential property's co-owners, empowering the neighbours of residential apartment units (mostly located in urban areas). In the Balearic Islands, only individual isolated properties can be rented on a tourism purpose. Finally, regarding obligations of the owners and authorization of subleases, French and German regulations for private accommodation supply require the lessor to be the property's owner, or if he is a tenant he has to get the authorization of the property's owner.

Prior administrative declaration is also required for rural accommodation and traditional tourism accommodation, which allows authorities to know the available tourism lodging supply, enabling them to oversee its development. It should be noted that rural accommodation is a specific category, with additional requirements regarding the location of the property and features of the building itself.

The legal framework may also cap rental activity by private individuals to tourists, in order *to limit competition with traditional tourism accommodation businesses*, and to *set the limit between business and occasional activity*. Legal *maximum annual rental durations* exist in France and in Catalonia (4 months per year for private rentals in Catalonia and "permanent residences" in France, up to 6 months for "seasonal rentals" in France), as well as in Italy (245 days per year: above this mark, the applicable regime is that of rental as a professional activity). In addition, Catalonia bans rental that are longer than one consecutive month. In other destinations, no defined maximum is set but the rental activity must remain "occasional" (Germany, Canary Islands, Balearic Islands). Finally, in Portugal, there is no limit regarding the duration of rental activity. In Greece, there is no maximum duration anymore, nor requirements for private accommodations, whereas rentals for less than 30 days were subject to burdensome requirements before the new law came into force.

In general, there is no maximum capacity for private rentals except in Portugal (9 rooms) and Italy (usually 3 rooms), whereas rural accommodation usually have capacity restrictions (usually up to 15 people). Generally, the owner does not have to be present during the guest stay. Renting a whole apartment is usually allowed, while offering a shared room may be banned in some destinations. Barcelona recently allowed shared room rentals, limiting to two the number of rooms available for rent and requiring the presence of the owner.

2.3. Obligation of information, star classification and distribution

	Residential accommodation / Rural accommodation	Tourism accommodation
France (& French Riviera, Marseille, Corsica)	Principal residence: no obligation Seasonal rentals: Optional classification. No compulsory public price. Written contracts apply; they must include an inventory and the price. Clauses must include cancellation compensation conditions.	- Optional classification; delivered by GIE Atout France and upon request after completion of the procedure. - Compulsory public price.
Balearic Islands (Mallorca)	Individual properties: compulsory classification and public price. The renter must display a plate at the entrance with the lodging's category, group, and registration number. Information regarding entrance/exit hours, the type of lodging units. Other properties: (no tourism use allowed) No obligation but it is forbidden to use tourism distribution channels and tourism terms in advertising.	- Compulsory classification: stars for hotels, keys for tourism apartments - New hotels from 2012 onwards must be at least 4 stars, and new apartments at least 3 keys (optional for rural accommodation). - Compulsory public price. The law also requires hotels to communicate the rates they apply to the Local Tourism Authority. - The renter must display a plate at the entrance with the lodging's category, group, and registration number. Information regarding entrance/exit hours, type of lodging units.
Barcelona (Catalonia)	Vacation rental: E - Optional classification - No compulsory public price - Must provide official complaint sheets from the Generalitat Administration. - The renter must post a plate at the entrance with the lodging's category, group, and registration number. - The town hall can make it mandatory for the renter to inform neighbours.	- Compulsory public price; the law requires hotels to communicate the rates they apply to the Local Tourism Authority. - Must display a plate with the category and registration number. - Optional classification. - For hotels: Entrance in the accommodation between 12h and 16h must be available.
Canary Islands	Vacation rental: - Compulsory public price - Obligation to post a plate 'Vivienda Turistica" featuring the registration number as declared to the town hall. - Rental contract must be signed by one lessee only.	- Must post a plate with the category - Compulsory public price
Portugal	Local accommodation: Not authorized to use tourism qualification or classification, but can name itself a hostel if it provides a dormitory	Tourism accommodation (including rural accommodation) - Optional classification. - Compulsory public price.
Italy	Occasional rental: none Professional rental: - Optional classification, has to be displayed. - Renter has to precise: activity period, nature of the society, furniture description, location of the accommodation, - Compulsory price advertising. - Obligation to sign a contract. If the rental duration is above 30 days: obligation to declare it to the local authorities	- Optional classification. - Compulsory public price.
Germany	- Optional classification - No compulsory public price.	- Optional classification - Compulsory public price.
Greece	No obligations	- Optional classification - Compulsory public price in the rooms

2.4. Minimal services & equipment

	Residential accommodation	Tourism accommodation
France (& French Riviera, Marseille, Corsica)	- Seasonal rental: cleaning prior to the arrival, Physical reception of the customer, furniture. - Principal residence: No requirements. Health & safety: General regulations for buildings apply. - In France, the loi "Alur" has made it mandatory for every residential unit to be equipped with fire-smoke detectors. - The 2003-09 law about the safety of swimming-pools also makes it mandatory for every external swimming-pool to be equipped with at least one of the following safety equipment: safety barrier, safety canvas cover, alarm, conservatory	- Reception service - Distinction between smoking and non-smoking areas - Minimum equipment and size of rooms according to the category. Health & safety: - Noise regulation. Fire and public safety regulations conforming to standards for establishments accommodating public. - If swimming pool: conditions of authorization, sanitary rules, prior registration to the town hall, technical requirement for security - Obligation to meet accessibility standards (rooms with disabled access, regulations applicable to elevators, corridors…)
	Rural accommodation For chambres d'hôtes: Breakfast provided by the owner, reception by the owner, cleaning and linen provided. Health & safety: For chambres d'hôtes: General regulations for buildings (including fire-smoke detectors and safety equipment for swimming-pools). For other lodgings (more than 15 persons capacity): Fire and public safety regulations conforming to standards for establishments accommodating public.	
Balearic Islands	Individual properties: - Regular cleaning of the house, linen, maintenance. - Reception of the public, Assistance 24/7 - Minimum number of bathrooms (1 for up to 5 persons, 2 up to 8, 3 up to 11, 4 for 12 persons. - Must provide furniture and services adapted for an immediate occupation, and everything necessary to keep and cook food. Health and safety: General regulations for buildings apply. Other properties (out of tourism rules): providing any tourism services is forbidden.	Health & safety: - Standards for establishments accommodating public.
	Rural accommodation - Cleaning at least twice a week, change of linen once a week, - Assistance 24/7, - Health services when capacity is above 30 persons, - Breakfast service and breakfast area, - Toilets, sink and shower in each habitation unit, minimum size for rooms (14 sqm bathroom included for rural accommodation providing more than 12 rooms), - Minimal equipment (reception, lifts, furniture according to the category) Health & safety: - Standards for establishments accommodating public	

Barcelona (Catalonia)	Vacation rental: - For room rentals: Bed & Breakfast. - Assistance and maintenance for the tourist. - Must provide official complaint forms. - Minimal furniture enabling an immediate use Rural accommodation - Masia, casa de pueblo compartida: breakfast. - Frequent cleaning, - If catering service included: Home-made meals - Reception on arrival and check-out of the customer, - Owner has to be available 24/7 for the customer, facilitate visit of the property and suggest activities - Heating in the rooms and common spaces, furniture, hygiene equipment with hot and cold water. - Minimal size for the rooms, for the living room (18 m² min.), mandatory kitchen.	Considered as a tourist accommodation if combination of lodging service and at least two of those services: - Bathroom and hygiene service (compulsory), - Frequent cleaning (compulsory), - Household laundry, - Room service, - Reception service, - Security and assistance 24/7. - Access 24/7. - Provide official complaint forms. Health & safety: - Fire and security standards for establishments accommodating public - Obligation to provide 1 room accessible to the disabled for 50-100 room-hotels, 2 rooms for 101-150 room-hotels, 3 rooms for 151-200 room-hotels, 4 rooms for more than 200-room hotels
Canary Islands	Vacation rental - Good conditions of health and hygiene - Assistance telephone number available from 8 am to 8 pm - First aid kit, minimum size for beds, household laundry	Health & safety: - Fire and security standards for establishments accommodating public
Portugal	Local accommodation: - Cleaning once a week - At least one bathroom for 3 rooms Health & safety: Minimum requirements applicable to housing. Fire Insurance. If capacity > 10 persons: Fire extinguisher, first aid equipment	- Can include food and beverage services, shopping and other services - Each room door must be secured, rooms have to be soundproofed and have an opening over the exterior Health & safety: - Obligation to provide at least one room with disabled access and equipment - Fire and security standards for establishments accommodating the public
Italy	Occasional activity: no obligation Professional activity: - Reception of the tourists at the arrival, - Cleaning once a week and between two rentals - Maintenance, must provide water, gas and electricity. Rural accommodation - Minimum size for a double room: 14 m² - Breakfast, sometimes with mandatory use of local products Health & safety: Health and safety standards. For rural accommodation, the owner has to have a habitability and conformity certificate with standards.	Health & safety: - Local health (ASL) and fire (Vigili del fuoco) departments authorisations

Germany	None at a national level: building construction standards are regulated by the MBO (=Muster-Bauordnung (MBO).	Health & safety - For hotels with more than 12 beds : Muster-Beherbergungsstättenverordnung (MBeVO), renewed in 2015: requires that new hotels offer 10 % of accessible rooms - Fire and security standards for establishments accommodating public
Greece	No minimum equipment and services required Health & safety: Lodging requires a Fire Study, with the installation of fire extinguishers and emergency exit lights. The twice-yearly fire certificate is no longer required for properties which accommodate less than 19 people, but the fire safety features should still be in place.	Health & safety “Regulation on the Fire Protection of Buildings”: (escape routes in case of fire, i.e. stairways and emergency exits), training of employees.

In the analysed destinations, information and distribution obligations depend on the nature of the accommodation. Regarding residential and rural accommodations, a broad range of measures regulate the publicity of prices. Public pricing is optional in France and Italy for private residential accommodation rented occasionally, which appear to have a more flexible legislative framework than the rest of the analysed countries. However, in France a written contract including the price and cancellation conditions is required for seasonal rental; and in Italy, "professional" renters must publicize their price. The Italian legislation also requires a contract to be signed for each rental, and if the duration of the rental exceeds thirty days the renter must declare it to local authorities. There is no obligation regarding price publicity in Barcelona, despite tougher requirements in other areas. For example, renters in the capital of Catalonia must provide guests with the official complaint forms delivered by the Generalitat Administration. The renter must also post a plate at the entrance of the property describing the lodging's category, group, and its registration number - it can also be a requirement to inform neighbours when renting a unit. The legal framework is also generally more demanding in the Balearic Islands, where the renter must display a plate at the entrance of the property describing the lodging's category, group, and registration number. In the Canary Islands, renters have the obligation to post a 'Vivienda Turistica" plate, and accommodations are attributed a registration number by the town hall. Publicizing prices is mandatory in both Islands' legislations. In Greece, displaying the registration number of the lodging and publicizing prices was also required for tourist furnished houses or apartments; however this obligation no longer applies since the new law came into force.

Classification is generally optional: in private accommodations classification is only required in the Balearic Islands, where the legal framework establishes a system based on "stars" for hotels and "keys" for tourism apartments. Conversely, in Portugal renters of residential accommodations are not authorized to use classifications or tourism qualifications. The property can still be classified as a hostel if it provides a dormitory.

The legal framework in the analysed countries clearly defines the minimal services and equipment requirements with which traditional tourism accommodations must comply. Fire and public safety regulations applicable to establishments receiving public are common rules enforced all across Europe. Additional measures can be required depending on the equipment offered: for example, when operating a swimming pool in France, traditional tourism accommodations need an official authorization after their registration to the town hall, and must follow technical requirements and strict security rules. In addition to these common rules, several countries define accessibility standards: in Germany, France or Barcelona, rooms accessible to the disabled must be available, at least for new hotels (Germany) or those above a capacity threshold (Barcelona). Their number usually varies according to the size of the establishment, following principles of proportionality.

All those health and safety requirements applicable to establishment receiving public are not mandatory for private accommodations, where only general regulations for buildings apply. However, several destinations require minimal equipment or services to protect the safety of tourists: they must be able to receive assistance 24 hours a day in the Balearic Islands or Barcelona, while in the Canary Islands an assistance telephone number must be provided to reach the renter from 8 am to 8 pm. In France, swimming-pools must be equipped with a safety system preventing their access by children, and all residential units must have fire-smoke detectors. The legal frameworks in Portugal and the Balearic Islands also set minimum requirements in terms of security equipment (first aid kits in the Balearic Islands; fire extinguishers in Portugal). Finally regarding safety, according to the European Security Requirements defined in the Schengen Agreement, traditional tourism accommodations must register the identity of the guest upon arrival, whereas it is no required for private residential accommodation.

Regarding other services and equipment, the European legal framework often requires hygiene minimum services such as a regular cleaning of the property. The law can make the reception of the tourists upon their arrival mandatory, as in the Balearic Islands, in Italy and France (for "professional" rentals and "seasonal" rentals only, respectively) whereas it is always compulsory in case of rural accommodations. Rural accommodations also have to provide breakfast, sometimes with an obligation to use local products. In Barcelona, if catering services are provided, meals must be home-made. Finally, local legal frameworks may establish minimum requirements in terms of size, type of furniture provided, number of bathrooms. Only Balearic Islands and Portugal set a minimum number of bathrooms in private residential accommodations, whereas equipment and services provided in rural accommodations are much regulated in every country analysed.

2.5. Taxation

	Residential accommodation / rural accommodation	Tourism accommodation
France (& French Riviera, Marseille, Corsica)	Tax on the revenue / activity: - No obligation to declare revenue if the lodging is the principal residence and the annual rent revenue / m² <184€ in Paris and <134€ in other areas - Vacation rental/rural accommodations: Obligation for the owner to declare revenues from the rental of its secondary residence. - In case of unclassified vacation rentals: tax over the revenue (BIC); classified vacation rentals ("meublés de tourisme") benefit from a 71% tax allowance if their annual revenue is < 81 500€. For chambres d'hôtes: exoneration if annual revenue from the rental <760€ Local taxes: - Property tax, but no housing tax in case of vacation rentals except if the owner rents part of its principal residence and disposes of it when it is not rent. - Property tax or housing tax in case of principal residence. Property tax rate (built properties-no-built properties, calculated on the net cadastral value): Marseille: 22.9%-23.8% / Nice :23%-36.9% / Cannes : 14.2%-17.5% Housing tax: Marseille:41.9% (1€1,234) / Nice : 21.3% (€1,032) - Contribution Economique Territoriale (Economic Contribution to Territory) only when renting is considered a professional activity. Maximum 3% of added value of the societies. Marseille : min. €554 / Nice: min. €144 Value added tax: private accommodations: no VAT except if seasonal rentals provide at least 3 services among those 4: breakfast, regular cleaning, linen, reception of the customer. Rural accommodations: 10% VAT City tax: Yes for vacation rentals (0,20 to 3€ per night per person for "meublés de tourisme" / 0.20 to 0.75€ for chambres d'hôtes, rates depend on the classification) For principal residence rental: depends on the city; - Paris since 2015 (€0.83 per night and per person), - Marseille from 2016 (rate yet to be defined) - Nice and Cannes (French Riviera): no - Corsica: no	Tax on the revenue / activity: Corporate tax (33.3%), Payroll taxes, Social contributions (social insurance, unemployment insurance, professional formation, pensions, other taxes), Registration fees for some operations (ex: real estate transactions) Local taxes: Property tax when appropriate Contribution Economique Territoriale (Economic Contribution to Territory). Maximum 3% of added value of the societies. Marseille : min. €554 / Nice: min. €144 Value added tax: 10% in France (incl Marseille and the French Riviera). Special regime in Corsica: 10% standard, 4.075% for half board and full board packages (as a 2.1% rate is applicable to ¾ of the price) City tax Depends on the city: €0.20 to €4 per night per person according to the category, up to €0.75 if not a classified establishment Marseille: €0.20 to €1.5 per night and per person Nice: €0.30 to €1.5 per night and per person Cannes: €0.20 to €1.5 per night and per person Corsica (Bonifacio): €0.20 to €1.30 per night and per person

Balearic Islands	Tax on the revenue / activity: Tax on commercial activity for seasonal rentals-private accommodation / revenue from real estate incomes for rural accommodation. Local taxes: IBI (Impuesto sobre Bienes Inmuebles = property tax): 0.5% to 1.1%, based on the cadastral value of the property. Value added tax: Yes:10% for each reservation City tax: Project for 2016 (on overnight stays or on arrivals at the airport)	Tax on the revenue / activity: Corporate tax (30% on large companies, 25% on small and medium-size businesses), Payroll taxes, Social contributions Local taxes: tax on economic activity (Impuesto de Actividades Economicas (IAE)) if annual revenue>1 million €). Value added tax: Yes: 10% for each reservation City tax: Project for 2016 (on overnight stays or on arrivals at the airport)
Barcelona	Tax on the revenue / activity: Obligation to declare rental revenues (included in the income tax). Local taxes: IBI (Impuesto sobre Bienes Inmuebles = property tax): 0.4% to 1.1%, based on the cadastral value of the property. Value added tax: no City tax: €0.65 per night per person in Barcelona, €0.45 in Catalonia	Tax on the revenue / activity: Corporate tax (30% on large societies, 25% on small and medium-size business), Payroll taxes, Social contributions Local taxes : tax on economic activity (Impuesto de Actividades Economicas (IAE)) if annual revenue>1 million €). Value added tax: 10% City tax: €0.65 to €2.50 per night per person in Barcelona, €0.45 in Catalonia
Canary islands	Tax on the revenue / activity: IRPF: declaration of rental revenues, income tax (it is possible to deduce charges) Impuesto General Indirecto Canario (=VAT): 7% Local taxes: IBI (Impuesto sobre Bienes Inmuebles = property tax): 2.7% to 3.1%, based on the cadastral value of the property. City tax: none	Tax on the revenue / activity: Corporate tax: 4% Payroll taxes, Social contributions IGIC =VAT: 7% City tax: none
Portugal	Tax on the revenue / activity: No tax to pay to start the rental activity Tax on the revenue (IRS 15%), registered as an independent professional under a “simplified regime” (annual revenues <€200,000) Local taxes: Property tax usually ranging between 0.3% and 0.8% of the value of the property Registration fees applicable to real estate transactions, from 0 to 6.5% City tax: 1€ city tax collected for each arrival at Lisbon airports & ports (from 2015) Value added tax: reduced VAT (6%) (Possibility to be exempted if the renter is registered under a “simplified regime” and revenue are < 10,000€)	Tax on the revenue / activity: IRC (corporate tax): 23%. For small businesses: 17% tax rate applicable to first 10,000€ (per year) Payroll taxes, Social contributions Local taxes: Registration fees applicable to real estate transactions, from 0 to 6.5% City tax: 1€ city tax collected for each arrival at Lisbon airports & ports (from 2015), from 2016 also 1 € / night / person, for a maximum duration of 7 days. Value added tax: reduced VAT (6%) on hotels (Possibility to be exempted if the renter is registered under a “simplified regime” and revenue are < 10,000€)

		23% VAT on F&B (restaurants)
Italy	Tax on the revenue / activity: same regime as tourism accommodations for "professional rentals" / income tax over the rental revenue for "occasional rentals" Value added tax: none for occasional rentals; rural accommodation is also exonerated. Local taxes: IMU (=property tax) applies to the cadastral value of the property; rates are defined by municipal city councils. Rome: 0.5% for the principal residence, 1.06% for secondary residences City tax: No except for rural accommodation in major destinations (Rome, Florence, Venice…): Rome: €2 per person per day, for a maximum duration of 10 days.	Tax on the revenue / activity: Corporate income tax (31.4%) Regional tax on production activity (IRAP) of approximately 4.25% (depending on the region) also applies. Payroll taxes, Social contributions Value added tax: 10% City tax: Only in major destinations (ex: Rome, Florence, Venice…): Rome: €2 per person per day, for a maximum duration of 10 days.
Germany	Tax on the revenue / activity: Providers that are renting their apartments occasionally and not as a business: - personal income tax (same regime as income from tenancy and lease agreements) Private providers carrying on a business, only if they reach a certain threshold (for example income tax in 2015: 8.472,00 Euro are non-taxable base): - business tax - income tax. Local taxes: Grundsteuer (=property tax); rates vary depending on the building's use (="B" if not used for agriculture or forestry). Equals the property's value x 0.26% (detached and semi-detached houses worth less than €60,000) to 0.35% (other) x municipal rate multiplier (ex: 300%) Value added tax: No City tax: Yes in most cities in Germany (ex: 5% of the room price in Berlin)	Tax on the revenue / activity: Business tax Corporate tax: about 30% (incl. 15% corporate income tax, municipal trade tax at varying rates, solidarity surcharge 5.5% on income tax) Payroll taxes, Social contributions Value added tax: 7% City tax: Yes in most cities in Germany (ex: 5% of the room price in Berlin)

Greece	Tax on the revenue: 11% to 15% tax on net rental income (if revenue <€12,000): up to 33%-35% if more. Real estate taxes: property tax (ENFIA): €2 to €13 per m² for buildings + 0.1% to 1% supplementary tax for individuals (€300,000 tax-free bracket) Value added tax: no City tax: no	Tax on the revenue / activity Corporate income tax: 29% Local taxes: municipal tax over the revenue Value added tax: 13% (standard) ; from 9% to 13% in certain islands City tax: yes in the mainland and islands with more than 4,100 residents

"Traditional" tourism accommodations are subject to tax treatments of a generally similar nature in Europe, albeit at different rates. As they are businesses, traditional tourism accommodation providers must pay corporate taxes. Rates stand at 33.3 % in France, 31.4% in Italy, about 30% in Germany (total rates vary depending on the regions), 29% in Greece, 23% in Portugal – where a 17% reduced rate is also available for smaller, early-stage companies. In Barcelona or the Balearic Islands, the corporate tax rate (from 25 to 30%) depends on the size of the business. In these two destinations, a tax on commercial activity is also applicable if annual revenues exceed €1 million. In the Canary Islands, thanks to a specific regime, corporate taxes stand at an extremely low level, at 4% only.

Residential accommodations are not submitted to corporate tax as they are not regarded as a business. However, in benchmarked countries the renters must declare the revenue stemming from their rental activity, often when a certain revenue threshold is met. In these cases, rental revenue becomes part of the annual personal/household revenue, which is taxed based on frameworks applying to individuals (mostly income taxes, but also other types of personal income taxes). Taxation rates applicable will thus depend on the income of the renter's fiscal household.

The difference between corporate and private taxation treatments can depend on the commercial activity of private residential accommodations. For example, in Germany, if it is considered that private providers are carrying on a "business" and reach a minimum threshold in revenue, they will be subject to corporate taxes as well as income taxes. However, renters letting rooms infrequently and reaping low profits from this operation only have to pay personal income taxes. In France also, a specific tax (the *Contribution Économique Territoriale)* is also applicable when renting is considered a professional activity. Moreover, taxation rules make a distinction between two situations: if the accommodation is the renter's principal residence, the renter has no obligation to declare the rental revenues –especially if the rent is deemed reasonable. Otherwise, different rules and tax treatments apply; they depend on the classification of the rental. In Greece, renters have to declare their rental incomes. Finally, it is noteworthy to mention that Portugal has introduced preferential measures for renters of residential accommodations. Not only there is no taxation required in order to start the activity, but renters also have the opportunity to register as independent professionals and benefit from a relatively low rate of taxation on the revenue, at 15%.

Value-added tax on tourism accommodations in the analysed countries are ranging from 6% in Portugal to 10% in France or Italy. Regional disparities do exist: the VAT rate applicable in Corsica is lower (4.075%) for half-board and full board packages; in Spain VAT levels are different in Barcelona, the Canary or the Balearic Islands. Generally speaking, tourism accommodations in urban areas are subjected to city taxes, especially when located in a city or area with a strong tourism activity. In France, the rates vary according to the city and category of the establishment, sometimes with significant discrepancies (0.2 to 4€). In Catalonia, its level changes if the accommodation is located in the capital city or elsewhere in the region, with a rate of €0.65 and €0.45 per night respectively. In Italy, a fixed rate per day is also the standard in major destinations with significant touristic appeal, such as Rome, Florence or Venice. Most cities in Germany have implemented a city tax on tourism accommodations: the rate for Berlin is 5%.

City taxes have been redesigned to include private residential accommodation rentals in about half of the analysed destinations: the city taxes that apply to residential accommodations in Barcelona, or German cities such as Berlin or Hamburg, reach the same rate that applies to tourism accommodations. In France, Paris introduced a city tax in 2015 (€0.83 per night and per person), and Marseille will be following this model the next year. The city tax will be collected by the platform on behalf of the renter. To be noted that in those destinations, residential accommodation only pay city taxes but may be exempted from VAT, whereas traditional tourism accommodations have to pay both city tax and VAT. The system follows specific rules under the French legislation, where no VAT is enforced in case the rental is located in the renter's principal residence. On the other hand, vacations rentals are subject to it when classified or providing a certain range of services, bringing them closer to the situation prevailing for professionals of the industry. In Greece private accommodations are not submitted neither to VAT nor to city tax, as they are not regarded as tourism accommodations.

In Italy, city tax only applies to tourism accommodation and rural accommodation, and rural accommodation is exempted from VAT. No city tax –neither for traditional tourism accommodation nor for residential accommodation– applies throughout the Balearic Islands or in the Canary Islands, even though plans to introduce new legislative tools to this end are being discussed. However in those destinations, VAT is applied on residential accommodation and tourism accommodation alike, and the rate of VAT in this case remains the same for both accommodation types. Portugal has chosen a different city tax system, based on collection at points of arrivals (airports, ports); this enables private and professional tourism accommodations to have a similar city tax.

Regarding taxation, major differences exist between residential and tourism accommodation. Local city taxes and VAT applicable are often already or in the process of being harmonized to smoothen differences between the lodging profiles (albeit major differences remain between the destinations themselves). In terms of revenue taxation, systems remain very different in nature: the revenue from private rental is often taxed as part of personal income, whereas revenue from traditional businesses get corporation taxation treatments. It shall still be underlined that whereas corporate tax is the most "visible" taxation item, payroll taxes and social security contributions actually carry a much larger weight on professional businesses (personnel costs are high, due to the traditionally "work-intensive" nature of the industry); meaning even if all other taxation items were equal in private versus professional businesses, a major difference in amounts collected would remain. Still, it shall be underlined that national legal frames are moving towards new taxation items applicable to short rentals, which will likely reduce the current gap between the accommodation profiles.

3. SIDE EFFECTS

3.1. Tourism impact

Collaborative platforms argue they match the needs of current tourists, providing an additional accommodation supply adapted to their needs, with all equipment and cheaper than traditional tourism accommodation. Furthermore they allow developing collaborative tourism experiences, as tourists may live "like a local", meet their hosts, share experiences with locals. It does not alter the quality of the welcome as it allows local people to invest in tourism activity and welcome of tourists, playing role of guides and ambassadors of their destinations. Short rental also have a positive impact on tourist frequentation and length of stay. According to Airbnb, tourists staying in short rental in France have a relative long length of stay (3.8 overnights average) which is positive for tourism activity.

Hoteliers and tourism professionals point out that the sharing economy may cause risks for tourists. According to the German Hotel Association (IHA), as the conditions for the provision of sharing hospitality services are often not regulated, there may be risks for consumers and for residents who might not be able to properly exercise their rights in such a non-regulated market. The HOTREC (European Trade Association of Hotels, Restaurants and Cafés) also highlights the fact that hotels are subject to strong safety standards with routine safety inspections, with many requirements aimed at ensuring compliance with such standards. This is done with the aim of ensuring visitors can enjoy wherever they travel, that the overall quality of their stay is ensured and that the reputation of the destination as a whole is maintained. However for residential accommodation, the lack of minimal services and equipment requirements in most countries can affect quality of lodging supply, as the customer does not have any guarantee regarding the quality and hygiene of the accommodation. Besides, as observed in most current legal frames, the lack of requirements regarding fire and health safety standards and consumer rights (insurance, guarantee of the booking) is also a threat for the tourist in case of problem, for the neighbours and for the global quality of the destination.

3.2. Economic impact

From the collaborative platforms point of view, short renting activity has also positive economic impacts. In France between September 2014 and August 2015, Airbnb announced 2.5 billion euros of total economic impact in France, including direct, indirect and secondary expenses, and a support to 13,300 jobs. The money saved by tourists on accommodation is spent on activities, shopping, restaurants and other services. On average, Airbnb guests spent €600 per person and per stay. Money spent by tourists in the country has therefore a positive impact on the global country economy and contributes to tourism activity. Finally, Airbnb argues that short-term renting activity allows renters to earn on average €1,960 per year, thus improving their purchasing power.

However the issue of revenues from short renting activity is a focus of concern for authorities. As short renting is not considered as a commercial activity, it avoids much taxation. It does not pay any social security contributions, VAT and revenues from the renting are not always declared. According to the IHA, cities therefore lose out on revenue that could have been invested in improving the basic quality of life for its residents. Short renting does not create jobs, and generate lower wages in the hospitality industry.

3.3. Impact on residents' life and lodging stock

Peer-to-Peer platforms like AirBnB, Wimdu, 9flats & Co. incentivizing the large-scale conversion of residential units into tourist accommodations, these platforms forces neighbourhoods and cities to bear the costs of its business model, IHA said.

There is therefore a risk on lodging stock if there are no legal limits. Some people do not rent their lodging occasionally but are turning their lodging into a real tourist rental, renting it for long durations. Furthermore some "multi-owners" rent a large number of apartments at high prices and carry on a real business. The French Hotel Association (Union Nationale des Métiers de l'Hôtellerie, UMIH) in a recent report showed 20% of the renters on Airbnb in Paris are "multiple-unit" renters, and one third of lodgings are rented more than 4 months a year. In other European capitals, national hotel associations also highlight some owners also rent a large number of apartments in Roma, Berlin, Amsterdam, Barcelona. Short renting is turning into a business which is illegal as it diverts lodging supply from its initial vocation and also is an unfair trading for traditional tourism accommodation. As a consequence in cities where real estate market is already very tight as in Paris or Berlin, the conversion of real estate into tourism accommodation strengthens building pressure. Residents must adapt to a tighter housing market. According to the HOTREC, the conversion of lodging into tourism accommodation can threaten to disrupt the balance that authorities seek to achieve in the use of the land and property available for residential and commercial purposes, to decrease the share of the residential housing stock in the world's most economically productive and land-constrained cities.

Residents also face an increased tourist traffic altering neighbourhood character while introducing new safety risks. Guests are not registered at their entrance in the lodging (unlike in hotels). Some buildings or districts are "invaded" by tourists accommodated in shared apartments, sometimes a young and noisy clientele. Neighbours do not have any recourse against nuisances. Key codes and access to common areas in the buildings may be given to strangers without control and without residents being aware. In some cities, like Barcelona or Berlin, that led to several protests from residents against tourists which may degrade their welcome feeling in the destination and exacerbate tensions with locals.

4. POLICY CHANGES AND OUTLOOKS REGARDING REGULATION

4.1. Coming policy changes

In **France**, several cities are putting in place a city tax for short renting (as in Marseille from 2016), and the French Hotel Association ask for a registration of short renting activity and limitations regarding duration rental (as detailed in propositions hereafter).

In September 2015, **Barcelona** has issued a one-year moratorium on issuing new licenses for tourism accommodation. It also announced it will return 80% of fines on unlicensed tourism accommodation in most popular areas if the owner makes available their property for social housing rent for a minimum of 3 years. The renting of rooms is in process of being regulated.

Balearic Islands recently enforced its regulation (April 2015), no change is expected in a near future regarding residential accommodation. However a project regarding a new tourist tax is currently under study. This one could be 1 or 2 euros per day and per person, vary according to the season and be lower for children and pensioners. Tourists would pay the tax in their tourist accommodation (and no at the airport as it was previously planned), including short renting. The law is under study and there is considerable oppositions.

Canary Islands have a restrictive regulation regarding residential accommodation rental, updated in May 2015, defining tourism and non-tourism areas, in which vacation rentals are authorized. However this law is strongly criticized. The Vacation Rental Association of Canary Islands considers the regulation is only profitable to hotels, making illegal 90% of the vacation rental supply, which is located in areas now defined as tourism areas (so forbidden for vacation rental). The National Commission of Trade and Competition highlights this law allows only the hotels in tourism areas and is therefore banning competition. The regulation may be evolve in the coming future under the pressure.

Portugal regulated short renting at the end of 2014, putting in place a relative flexible legal frame, and no changes in expected in the coming months.

In **Germany**, the Berlin Senate announced in September 2015 that it would tighten the ban against the misuse of living space. The change should make it easier for district authorities to enforce the so-called misappropriation prohibition of housing. Online platforms will be obliged to provide supplier data in case of suspected illegal use of a dwelling as a holiday apartment. Also, there was an important ruling of the German Federal Supreme Court of Justice in 2014, stating that the renting of an apartment to tourists must be distinguished from a usual permission to sublet (Untervermietungserlaubnis) an apartment for a longer time. This makes it a lot more difficult for tenants to offer an apartment for tourists. If they don't have such a special permission, they risk the termination of a tenancy agreement.

In **Italy**, a draft law is under study about Internet economy and collaborative platforms. Three requirements are planned:

- be registered to sell services on line,
- the platform has to collect tax on behalf of the renter/seller,
- Above a threshold of revenue the renter is considered as a business activity with all taxes applicable on enterprises.

4.2. Outlooks and propositions from European Hotel Associations

Accommodation tourism professionals are working on a uniform system in Europe regarding short renting. The European Trade Association of Hotels, Restaurants and Cafés (HOTREC) adopted a "chart" for a sustainable and responsible shared economy with the following propositions:

Define a legal frame for short renting

- Integrate Short-Term Private Accommodation Rentals in Legislation as Tourist Accommodation, in order to they are registered and officially and properly recognized,
- Clarify and ensure proper distinction between residential and commercial property. As observed in different European legal frames, "occasional" activity is often not precisely defined. Licenses must be delivered according more precise criteria (maximum rental duration, definition of the areas where it is authorized, maximum number of properties allowed to be rent, maximum capacity...)
- A maximum duration rental for short renting has notably to be defined (60 days according to the HOTREC). According to the UMIH (France), if the rental duration is exceeded, the presence of the owner must be required.
- Use registration of shared apartments for tourism statistics.

Enforce obligations of the host

- Declare its short-renting activity to the local authority and get a Registration number which must be posted in advertising channels. Local authorities have to control the licensing system according to the areas and sanction non-registered apartments.
- Short renting must apply the fire and security requirements: post the name of the person in charge of process in case of fire, telephone number in case of emergency, fire evacuation plan, fire risks evaluation.
- The IHA proposes notably minimum requirements in relation to hygiene and cleanliness shall be fulfilled in accordance to local/national regulations. This is in the basic interest of all consumers lodging in any type of tourist accommodation. With regard to health and safety, at least similar basic requirements, adapted to the specific type of building shall be fulfilled by all operators in order to ensure the health and safety of the guests. A fire safety certification should be a prerequisite for all type of accommodation.
- Identity of the guest must be registered according to the Schengen Agreement.
- Hosts have to respect legal rules towards their employees' rights and benefits.
- Hosts must comply with fiscal regulation: data about short renting have to be crossed with fiscal data to check the host pays the taxes, notably over its revenue.
- The city tax must be applied on short renting and be collected by the platform. The IHA asks also VAT is required for short renting, as it is required for tourism accommodation and as it is already the case in some destinations (Portugal, Spain).
- To protect the quality of life in neighbourhoods, hosts have to notify to their neighbours and their owner/co-owners they will rent their apartments prior to get an authorization.

- In France, the AHTOP (Association for a Professional Lodging and Tourism) also proposes a rent control for short-renting.

Strengthen local authorities' control

- Local authorities have to plan more inspections and controls.
- Local authorities have to put in place control systems and mechanism for receiving complaints from neighbours. They have to inform residents and organize public consultations to define areas where short renting will be allowed.

Regulate the collaborative platforms activity:

- Collaborative platforms have to ban from their website the illegal accommodation and accommodation that do not comply with rules (regarding administrative requirements and authorizations from local authorities, owner of the lodging, co-owners in case of co-ownerships);
- They also have to check accommodation respect legal requirements regarding security. The AHTOP proposes the obligation for the platforms to require a security diagnosis and accessibility for the lodging.
- Collaborative platforms may collect city tax on behalf of the host and repay it to the concerned authority.

The UMIH and the AHTOP in France, and the IHA in Germany wish add other requirements regarding platforms:

- Collaborative platforms, even if they are non-resident enterprises, have to declare revenues generated from the sale of goods and services on the national territory.
- The UMIH proposes they remind the renter its obligations regarding its fiscal and civil duties.
- As a broker in terms of real estate activity, collaborative platforms have to be submitted to the national/local law providing obligations in terms of financial guarantees and ownership of professional card (Hoguet Law in France). According to the IHA, they should be considered similar to all other types of on line travel agencies (OTAs) and comply with the relevant European and national / local legislation.
- Wherever hospitality establishments have to comply with collective agreements when employing workers, the hospitality economy shall also comply with these rules (IHA).

The propositions aim to uniform regulation system to reduce the imbalance between tourism accommodation and residential accommodation, regarding legal requirements and taxation. Hotel associations consider many imprecise regulations regarding difference between occasional and professional activities lead to abuses in short renting activities. Clarification of regulations and a real frame for short renting is requested from professionals. The collaborative platforms have also to be regulated and contribute to the control the short renting legality and the tax collection, as a central player of sharing economy.