



General Assembly

February Session, 2026

Raised Bill No. 5536

LCO No. 2457



Referred to Committee on FINANCE, REVENUE AND BONDING

Introduced by:
(FIN)

AN ACT ESTABLISHING A STATE SHORT-TERM RENTAL REGISTRY AND AUTHORIZING AN OPTIONAL MUNICIPAL SUPPLEMENTAL TAX ON SHORT-TERM RENTALS.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. (NEW) (*Effective October 1, 2026*) (a) As used in this section,
2 "short-term rental", "short-term rental facilitator", "short-term rental
3 operator" and "short-term platform" have the same meanings as
4 provided in section 12-408h of the general statutes, as amended by this
5 act.

6 (b) (1) Except as provided in subdivision (2) of this subsection, each
7 short-term rental operator that lists or advertises a short-term rental
8 located in the state and each owner of a short-term rental located in the
9 state who lists or advertises such rental solely through means other than
10 a short-term rental facilitator shall register each such short-term rental
11 property annually with the Department of Revenue Services, in a form
12 and manner prescribed by the Commissioner of Revenue Services. Each
13 such operator or owner that lists or advertises a short-term rental prior
14 to January 1, 2027, shall register such short-term rental property with

15 the department not later than January 1, 2027. On and after January 1,
16 2027, no such operator or owner shall list or advertise a short-term rental
17 prior to registering such short-term rental property with the
18 department.

19 (2) The provisions of subdivision (1) of this subsection shall not apply
20 to a short-term rental property that is duly licensed by a municipality
21 that has elected to adopt an ordinance as set forth in section 7-148qq of
22 the general statutes.

23 (3) Each short-term rental property shall be registered separately and
24 each registration shall include:

25 (A) The address of the short-term rental;

26 (B) (i) (I) The name and contact information of the short-term rental
27 operator and, if such operator is not the short-term rental owner, the
28 name and contact information of the short-term rental owner, or (II) the
29 name and contact information of the owner of a short-term rental
30 located in the state who lists or advertises such rental solely through
31 means other than a short-term rental facilitator, and (ii) if such short-
32 term rental operator or short-term rental owner is a business entity and
33 located out-of-state, the name and contact information of an agent in the
34 state for service of process; and

35 (C) A registration fee of one hundred dollars per short-term rental
36 property for the administrative costs of establishing, updating and
37 maintaining the short-term rental registry under subsection (c) of this
38 section.

39 (c) (1) The Commissioner of Revenue Services shall establish a short-
40 term rental registry to compile the registrations submitted under this
41 section. Such registry shall be posted on the Department of Revenue
42 Services' Internet web site and shall be searchable or organized in a
43 manner that allows an individual to view the registered short-term
44 rentals that are located within a given municipality.

45 (2) A short-term rental operator or a short-term rental owner
46 described in subdivision (1) of subsection (b) of this section shall notify
47 the commissioner of any change in the registration information
48 provided under subdivision (3) of subsection (b) of this section not later
49 than thirty days after such change takes effect.

50 (d) If the Commissioner of Revenue Services determines that a short-
51 term rental operator or a short-term rental owner described in
52 subdivision (1) of subsection (b) of this section is listing or advertising a
53 short-term rental for a property that is not registered under subsection
54 (b) of this section or duly licensed by a municipality that has elected to
55 adopt an ordinance as set forth in section 7-148qq of the general statutes,
56 the commissioner may impose a civil penalty of up to one thousand
57 dollars per violation on such operator or owner.

58 Sec. 2. (NEW) (*Effective January 1, 2027*) (a) As used in this section, (1)
59 "municipality" means a town, city, consolidated town and city or
60 consolidated town and borough, and (2) "short-term rental facilitator",
61 short-term rental" and "short-term rental operator" have the same
62 meanings as provided in section 12-408h of the general statutes, as
63 amended by this act.

64 (b) (1) Notwithstanding the provisions of any special act or municipal
65 charter or ordinance, any municipality may, by vote of its legislative
66 body or, in a municipality where the legislative body is a town meeting,
67 by vote of the board of selectmen, approve a short-term rental
68 supplemental tax on each retail sale of a short-term rental located within
69 such municipality, up to a maximum of two and seventy-five-
70 hundredths per cent with respect to each transfer of occupancy, from
71 the total amount of rent received by a short-term rental facilitator or a
72 short-term rental operator or by a short-term rental owner described in
73 subdivision (1) of subsection (b) of section 1 of this act, for the first
74 period not exceeding thirty consecutive calendar days.

75 (2) (A) Such supplemental tax shall be effective not earlier than sixty

76 days after the date of such approval. The chief executive officer of the
77 municipality shall provide notice of such approval, the rate of the tax
78 and the date the supplemental tax will be effective to the Commissioner
79 of Revenue Services and, if such municipality licenses short-term rental
80 properties under an ordinance adopted pursuant to section 7-148qq of
81 the general statutes, to each such licensed property.

82 (B) The commissioner shall provide notice of the applicable
83 municipality and such approval, rate and effective date to each short-
84 term rental operator and short-term rental owner described in
85 subdivision (1) of subsection (b) of section 1 of this act, that has
86 registered a short-term rental property with the registry established
87 under subsection (c) of section 1 of this act, and to each short-term rental
88 facilitator.

89 (3) Each short-term rental facilitator, short-term rental operator or
90 owner of a short-term rental property, as applicable, required to remit
91 and collect the tax imposed under section 12-408 of the general statutes
92 on the retail sale of a short-term rental shall collect and remit any
93 supplemental tax imposed by a municipality pursuant to subdivision (1)
94 of this subsection in addition to and in the same manner as the tax
95 imposed under section 12-408 of the general statutes.

96 (c) A municipality that has approved a supplemental tax pursuant to
97 subsection (b) of this section may vote to change the rate of such tax,
98 provided the new rate does not exceed the maximum rate set forth in
99 subdivision (1) of said subsection. The provisions of subdivision (2) of
100 subsection (b) of this section shall apply to any rate change approved by
101 a municipality.

102 (d) The provisions of section 12-548, sections 12-550 to 12-554,
103 inclusive, and section 12-555a of the general statutes shall apply to the
104 provisions of this section in the same manner and with the same force
105 and effect as if the language of said sections had been incorporated in
106 full into this section and had expressly referred to the tax imposed under

107 this section, except to the extent that any provision is inconsistent with
108 a provision in this section. For purposes of this section, the
109 supplemental tax imposed by a municipality pursuant to this section
110 shall be treated as a tax imposed by the state.

111 (e) The Commissioner of Revenue Services shall maintain an
112 accounting of all supplemental tax amounts remitted, aggregated by
113 municipality, and shall deposit such amounts in the municipal short-
114 term rental account established under subsection (g) of this section. The
115 commissioner shall distribute on a quarterly basis, to each municipality
116 that has approved a supplemental tax pursuant to this section, any
117 supplemental tax amounts collected in the prior quarter that are
118 attributable to a short-term rental located within such municipality.

119 (f) Any amounts received by a municipality pursuant to subsection
120 (e) of this section shall be used by the municipality to increase the supply
121 of housing in the municipality for renters and prospective homeowners,
122 including, but not limited to, depositing such funds into a housing trust
123 fund for the purposes set forth in section 8-2i of the general statutes.

124 (g) Commencing in the calendar year 2028, and annually thereafter,
125 the Commissioner of Revenue Services shall post on the Department of
126 Revenue Services' Internet web site (1) a list of the municipalities, if any,
127 that have approved a supplemental tax pursuant to this section and the
128 rate of each supplemental tax approved, (2) the amount of supplemental
129 taxes collected under this section, aggregated by municipality, (3) the
130 number of short-term rentals located within each such municipality,
131 and (4) any other information the commissioner deems useful or
132 relevant.

133 (h) There is established an account to be known as the "municipal
134 short-term rental account", which shall be a separate, nonlapsing
135 account. The account shall contain any moneys required by law to be
136 deposited in the account. Moneys in the account shall be expended by
137 the Commissioner of Revenue Services for the purposes of subsections

138 (e) and (f) of this section.

139 Sec. 3. Section 12-408h of the general statutes is repealed and the
140 following is substituted in lieu thereof (*Effective October 1, 2026*):

141 (a) As used in this section:

142 (1) "Short-term rental" means the transfer for a consideration of the
143 occupancy in a furnished residence or similar accommodation for a
144 period of thirty consecutive calendar days or less;

145 (2) "Short-term rental facilitator" means any person that (A) facilitates
146 retail sales of at least two hundred fifty thousand dollars during the
147 prior twelve-month period by short-term rental operators by providing
148 a short-term rental platform, (B) directly or indirectly through
149 agreements or arrangements with third parties, collects rent for
150 occupancy and remits payments to the short-term rental operators, and
151 (C) receives compensation or other consideration for such services;

152 (3) "Short-term rental operator" means any person that has an
153 agreement with a short-term rental facilitator regarding the listing or
154 advertising of a short-term rental in this state; and

155 (4) "Short-term rental platform" means a physical or electronic place,
156 including, but not limited to, a store, a booth, an Internet web site, a
157 catalog or a dedicated software application that allows short-term rental
158 operators to display available accommodations to prospective guests.

159 (b) [A] Each short-term rental facilitator shall be required to obtain a
160 permit to collect the tax set forth in subparagraph (B) of subdivision (1)
161 of section 12-408 and shall be considered the retailer for each retail sale
162 of a short-term rental that such facilitator facilitates on its platform for a
163 short-term rental operator. Each short-term rental facilitator shall (1) be
164 required to collect and remit for each such sale any tax imposed under
165 section 12-408 and any supplemental tax imposed pursuant to section 2
166 of this act, (2) be responsible for all obligations imposed under this

167 chapter and section 2 of this act as if such short-term rental facilitator
168 was the operator of such short-term rental and retailer for such sale, and
169 (3) keep such records and information as may be required by the
170 Commissioner of Revenue Services to ensure proper collection and
171 remittance of such [tax] taxes.

172 (c) On and after January 1, 2027, each short-term rental facilitator with
173 sales subject to the tax set forth in subparagraph (B) of subdivision (1)
174 of section 12-408 for which the short-term rental facilitator files a return
175 under this chapter shall disaggregate the information in the return, in
176 such form as may be prescribed by the Commissioner of Revenue
177 Services, to indicate the municipalities in which the short-term rentals
178 that generated such sales are located and list by municipality the
179 amount of such tax collected and the amount of the supplemental tax
180 collected, as applicable. The provisions of this subsection shall apply to
181 a short-term rental owner described in subdivision (1) of subsection (b)
182 of section 1 of this act who lists and advertises more than one short-term
183 rental in the state, which short-term rentals are located in more than one
184 municipality.

185 [(c)] (d) A short-term rental operator shall not be liable for the
186 collection of the tax set forth in subparagraph (B) of subdivision (1) of
187 section 12-408 or a supplemental tax imposed pursuant to section 2 of
188 this act to the extent the short-term rental facilitator collected the tax or
189 taxes due on such rent.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2026</i>	New section
Sec. 2	<i>January 1, 2027</i>	New section
Sec. 3	<i>October 1, 2026</i>	12-408h

Statement of Purpose:

To establish a state short-term rental registry, authorize an optional municipal supplemental tax on short-term rentals and require short-term rental return filings to include disaggregated sales tax information.

[Proposed deletions are enclosed in brackets. Proposed additions are indicated by underline, except that when the entire text of a bill or resolution or a section of a bill or resolution is new, it is not underlined.]