**REMAINING QUESTIONS**

**FROM KTIA / AVALARA WEBINAR**

*(NOTE: The first three questions are sufficiently similar that Avalara provided a single response to all three.)*

1. **As a government how will we verify that the payments and taxes sent are correct?**
2. **Homeowners would have to follow the law and would be committing tax evasion if they lied. Is there any way to verify and have information to audit the filings to verify they are correct?**
3. **In regards to getting a payment and a return with just totals, why can’t Avalara include a summary page that lists the different locations and a grand total that agrees with the return. Avalara would have access to that info and could provide us with that if they would, right? Otherwise, we would have to reach out to each owner and have them print out that detail and send that it separately.**

**Avalara: The marketplaces are not providing property or owner breakdowns due to security constraints within the Stored Communications Act. The marketplaces are under the same requirements and have to follow the law just as homeowners.**

**Any requests for this information would have to be referred over to the marketplaces directly. Avalara is unable to provide this information as it relates to short-term rentals. For marketplaces that report for hotels and is clearly defined in the jurisdictions legislation, Avalara can work with the marketplaces to provide that information.**

1. **Will jurisdictions receive one all-encompassing check from Avalara monthly or one for each of their clients?**

**Avalara: There will be a separate check for each different client.**

1. **I've only ever received transient tax payments directly from our hotels. Am I missing transient taxes from OTAs, or is it possible the hotels have been paying those taxes on behalf of OTAs?**

**KTIA: Payment by OTAs is a new requirement created by House Bill 8.**

1. **Do we feel this is a situation of its going to be a postponement of the checks from Air BNB for a month or so or are they trying to avoid it all together? I also just want to stress how important this issue is, especially for folks in ex-third-class cities who have to rely solely on the transient tax because were still currently unable to have a restaurant tax (which also needs to be fixed ASAP).**

**KTIA: Currently, we have no definitive information regarding Airbnb’s plans. However, we have every expectation they will comply with Kentucky state law.**

1. **Campgrounds will be required to start collecting transient tax in January. Right? And are they exempt from transient tax for the "long term rentals"**

**KTIA: Yes, campgrounds are requited by House Bill 8 to remit transient room taxes; and yes, the exemption of continuous stays of thirty days or more will also apply to campgrounds.**

1. **Our jurisdiction's amendment says businesses shall report their gross sales. Should I include a letter with January's returns informing businesses about the change and if Avalara is taking out taxes they are still responsible for submitting the return to us?**

**Avalara: Avalara wouldn’t be able to advise on the specific documentation that would be needed for reporting. This would ultimately be a decision that each jurisdiction would need to make on their own.**

**It would likely be helpful for the jurisdictions to define if the existing taxpayers still have a reporting requirement if there is no tax due.**

1. **How do we go about sending our ordinances and tax return forms to Avalara?**

**Avalara: Jurisdictions can send ordinances and tax returns to** **rates@ttrus.com****. There may be an additional contact we provide at a later date.**

1. **Will Avalara notify their clients that they will be handling tax payments and encourage the property to contact their local CVB or Tourism Commission so their property can be added to the local website. Value added for Avalara maybe?**

**Avalara: Typically, Avalara sees the marketplaces notifying their clients that the marketplace themselves will be handling the tax reporting. Avalara as a 3rd party, would not be involved in communication between property owners and the marketplaces.**

1. **But the returns will be from the booking platform and not with the host information?**

**Avalara: The returns will be under the booking platform name and not contain any host information.**

1. **The County collects for both the City (4% transient room tax) and the County (6% transient room tax); hosts in the City pay both City and County tax (10% total). Will it be clearly remitted to the County so that they know what amount is received by the County and what portion is remitted to the City? How will Avalara know what is in the City and what is in the County?**

**Avalara: Avalara can assign jurisdictions to sales based on the address/city/zip code or lat/long coordinates that our customers provide. We are then able to build returns based on where the rates/taxes are supposed to be reported. We may run into an issue with returns if the above situation is if tax on properties that are in the unincorporated part of a county are reported on a separate form from the county and city tax for properties in incorporated areas. If all taxes are reported on one return or individual rates have their own form, we can generate revenue to the appropriate places.**

**If there are specific concerns a jurisdiction has, it would be helpful to have the specific jurisdiction provided as the above question has a few different scenarios on how that looks for a return.**