

Subject: Important Update: New Accommodation Tax Reporting System Launching July 1, 2025

Dear Property Owner,

We are writing to inform you of an important change to how Muskegon County will collect and manage the 5% accommodation tax for short-term rentals. Beginning **July 1, 2025**, Muskegon County is transitioning from our current provider, **Localgov**, to a new online system powered by **Granicus**.

This change will improve the registration, filing, and payment process for short-term rental owners like you. If you are already registered and filing through Localgov, you may continue to do so through **June 20, 2025**. Beginning **June 23**, onboarding will begin for the new Granicus system.

To help you prepare for this transition, we've included a **Frequently Asked Questions (FAQ)** sheet that outlines what's changing, how to report and pay your taxes under the new system, and important deadlines.

We recognize that transitions like this raise questions, and we're here to support you every step of the way. If you have any questions or need assistance, please don't hesitate to reach out.

Thank you for helping support tourism and economic development in Muskegon County.

Sincerely, **Robert Lukens** Community Development Director Visit Muskegon



Muskegon County Accommodation Tax Short-Term Rental Frequently Asked Questions

What is the Muskegon County Accommodation Tax?

The accommodation tax was adopted in 1981 and applies to short-term stays (30 nights or fewer). For more details, see County Ordinance No. 2013-406 (formerly Ordinance 10).

Is the tax Airbnb lists different from this one?

Yes. Airbnb collects a statewide 6% use tax. Muskegon County also requires a 5% accommodation tax for stays of 30 nights or fewer.

Do I need to collect and remit this tax?

Yes. If you rent for 30 days or fewer, you must collect and remit the 5% tax to Muskegon County.

Who must pay this tax?

All lodging types, including vacation rentals, STRs, B&Bs, hotels, motels, and resorts.

How and when do I file and pay?

- If registered with Localgov, you may pay there through June 20, 2025.
- If not registered, contact Amber Mae Petersen at (231) 402-1721 or ambermae@visitmuskegon.org.

How is the tax calculated?

The tax is 5% of your rental revenue. The system will calculate it based on your reported revenue.

Will Airbnb or VRBO pay the tax for me?

Not necessarily. Some platforms allow tax collection, but you are generally still responsible for filing and remitting to the County. You will have to check with your booking provider for more details.



What's changing in 2025?

- The County will switch to a new system called **Granicus** starting **June 23, 2025**.
- Year-round properties: File and pay monthly online by the 15th of the following month.
- Seasonal properties: May only file quarterly by paper form (available from Visit Muskegon).
- Seasonal owners can opt into monthly online filing.

How do I sign up for Granicus?

Granicus and Visit Muskegon will contact property owners in June with onboarding instructions.

What if Granicus isn't available yet?

You may hold payment through **September 15, 2025**, with no penalties during this transition window.

Do I still collect tax during the transition?

Yes. Continue collecting the 5% tax. Payments must be submitted by **September 15, 2025** or as soon as Granicus becomes available.

What are the penalties for late payments after September 15, 2025?

- 5% penalty per month (up to 25% max)
- 1% monthly interest

Where does the tax go?

Funds support tourism marketing and local business promotion.

Do I have to be listed on Visit Muskegon's website?

No. But to be listed, your account must be current. All lodging operators must remit tax, regardless of listing status.

Need help?

Visit: <u>www.visitmuskegon.org/partner-resources/short-term-rentals</u>
Contact Amber Mae Petersen:
☑ ambermae@visitmuskegon.org
☑ (231) 402-1721