



## City of Racine Public Health Department

# Short-Term Rentals Tourist Rooming Houses

## Getting Started

Rental of a whole or partial residence to visitors for less than 30 days is commonly known as a Short-Term Rental. Its legal term in Wisconsin is a Tourist Rooming House. Hosting platform websites connect hosts with visitors who need a short-term place to rent. See [Wisconsin Administrative Code ATCP 72](#) for health regulations.

Visit [cityofracine.org/Health/TouristRoomingHouse/](http://cityofracine.org/Health/TouristRoomingHouse/) for more information.



## Public Health Laws

Homeowners are required to obtain a Short Term Rental / Tourist Rooming House permit from the City of Racine Public Health Department prior to offering this service to visitors. A Joint Inspection (Building, Fire and Public Health Departments) must be completed to approve the new permit. The permitting year is from July 1 until June 30 of the following year. Public Health and Fire inspections will occur at least once every permitting year to ensure continued compliance with regulations. If an initial permit is approved in April, May or June of a given year, such permit will be valid until the end of the following permitting year, on June 30.

## Tax Laws

### Municipal Room Tax

Room tax must be collected from visitors as required by [City of Racine Ordinance 90-55](#). Check with the City Clerk's Office at 262-636-9171 for questions regarding room tax.

### Wisconsin Sales Tax

Short-term rentals must report and pay Wisconsin sales tax. City of Racine is subject to 5.1% sales tax (5% state, 0.1% stadium). Exception: If a host's taxable sales are less than \$1,000 in a calendar year, a sales tax exemption may apply to the sales. For more information, see Homeowners [and Individuals Selling Short-Term Lodging](#) ([revenue.wi.gov/Pages/TaxPro/2021/Homeowners-and-Individuals-Selling-Short-Term-Lodging.aspx](http://revenue.wi.gov/Pages/TaxPro/2021/Homeowners-and-Individuals-Selling-Short-Term-Lodging.aspx)) from the Wisconsin Department of Revenue (WI DOR). If you have questions, contact the WI DOR at 608-266-2776.

## City of Racine Ordinance

A Short-Term Rental operating within the City of Racine must be located within the host's primary residence. Short term rental is for a period less than 30 consecutive days. Tourist Rooming Houses shall have all required permits and inspections, keeping them current. All litter, debris, and refuse shall be stored in closed containers. Vehicles of guests and residents shall be parked on a hard surface of concrete, asphalt, or paver stones in accordance with [City of Racine Ordinance 114-1167](#). All proprietors of short term rental establishments shall provide proper exiting.

## Other Considerations

As a property owner, you may be subject to lease agreements and/or cooperative, cohousing, condominium, homeowner association, or tenant organization regulations.

## Costs to Operate a Short Term Rental

Item	Fee
<b>Initial / Start-Up Fees</b>	
One-time Pre-Inspection Fee	\$340.00
Annual Permit Fee (State Mandated)	\$210.00
Room Tax Registration Fee	\$3.00
Fire Inspection Fee	\$50.00
Wisconsin Seller's Permit (Due to WI DOR)	\$20.00
<b>Total</b>	<b>\$623.00</b>
<b>Annual Fees</b>	
Annual Permit Fee (State Mandated)	\$210.00
Fire Inspection Fee	\$50.00
<b>Total</b>	<b>\$260.00</b>