

Airbnb delivers \$425M in tourism taxes on behalf of Tennessee Hosts

By [Airbnb](#) · April 2, 2024

Key Takeaways

- Airbnb has collected and remitted more than \$425 million in tourism taxes on behalf of Hosts in Tennessee since 2018, including \$135 million in 2023.
- Local hotel occupancy tax revenue from short-term rentals has generated more than \$15 million for affordable housing in Nashville through the Barnes Fund.

We recently [announced](#) Airbnb has collected and remitted more than \$10 billion in tourism taxes to governments around the world. **In Tennessee that includes more than \$425 million in sales and occupancy taxes since 2018, including over \$135 million in 2023 alone.**

Airbnb began collecting and remitting state and local sales taxes on behalf of Hosts in Tennessee in 2018. Since then, we've championed statewide legislation to create a centralized tax collection system that further streamlines tourism tax collection by allowing platforms to collect and remit all applicable local occupancy taxes on behalf of Hosts across the state. After the implementation of the state's centralized tax collection system in 2021, Tennessee saw a [320 percent increase](#) in the amount of taxes collected on our platform.¹

“I'm proud to have championed legislation that streamlines the way Tennessee collects local occupancy taxes on short-term rentals. Not only has this model helped reduce administrative costs for local governments, but it has also allowed a key segment of Tennessee's tourism economy to contribute significantly more tax revenue to cities and counties across the state without increasing tax rates. A win-win for all.”

—Senator John Stevens, District 24, Tennessee

Funding affordable housing in Nashville

The tax revenue generated from travel on Airbnb helps fund critical government services in cities and counties across the state. **In Davidson County, for example, we've collected a total of \$48 million in local sales and occupancy taxes, including approximately \$18 million in 2023.**

Thanks to legislation passed in 2015, one percent of local occupancy taxes from short-term rentals in Nashville goes to the [Barnes Fund](#), a housing trust fund that issues grants to nonprofit housing developers in Davidson County. Since this legislation went into effect, **tax dollars from short-term rentals have generated more than \$15 million for the Barnes Fund and remain the only consistent source of dedicated funding for affordable housing in Nashville.**

To build on the success of the Barnes Fund, we recently supported HB 468/SB 1050 which would enable Nashville to allocate more tax revenue from short-term rentals to affordable housing initiatives. It's estimated the legislation would allow Nashville to quadruple the amount of funding to the Barnes Fund. While the bill has not received a hearing this session, we encourage the state legislature to consider the proposal and remain committed to championing policies that prioritize funding for housing affordability initiatives in Nashville, the state of Tennessee, and all communities where we operate.