

Good Operator Guide

A guide to responsibly operating
a short-term rental



Short-Term Rental Rules

The Toronto Municipal Code, [Chapter 547: Licensing and Registration of Short-Term Rentals](#) regulates short-term rentals in Toronto. Below is an overview of the rules set out in the bylaw.

What is a Short-Term Rental?

A **short-term rental** is all or part of a dwelling unit rented out for less than 28 consecutive days in exchange for payment. This includes bed and breakfasts (B&Bs) but excludes hotels and motels. It also excludes other accommodations where there is no payment.

A **short-term rental company** is any company facilitating or brokering short-term rental reservations online and receiving payment for this service (e.g. Airbnb and Expedia). All short-term rental companies must be licensed to operate in the City of Toronto.

Short-term rental operators are people renting their homes or rooms on a short-term basis, for a period of less than 28 consecutive days.

Registration Requirement for Operators

The City of Toronto requires short-term rental operators to be registered to operate legally in Toronto. All current operators can register as of September 10, 2020, and must be registered by December 31, 2020. New operators must register on an ongoing basis, prior to renting their homes or rooms as a short-term rental.

Know the Rules

As an operator, you must abide by the following rules:

- You must be 18 years of age.
- You are only allowed to short-term rent your principal residence. This is the residence where you live and the address you use for bills, identification, taxes and insurance. You can only have one principal residence at a time, therefore an operator cannot legally run more than one short-term rental.

- You can be a homeowner or a renter in any housing type e.g. house, apartment, condominium, etc. You should ensure that you are allowed, by your condominium or landlord, to short-term rent your residence.
- You can rent up to three bedrooms in your principal residence for an unlimited number of nights per year or the entire home for a maximum of 180 nights per year.
- Your home must be in a residential area in the city. If you are a Bed and Breakfast operator, you can continue to operate under existing zoning permissions for “tourist homes”.
- You can host a short-term rental in a secondary suite or laneway suite, as long as the suite is your principal residence. A secondary suite is a separate living accommodation with its own kitchen and washroom, located within a larger house (for example, a basement apartment). A laneway suite is a self-contained residential unit located on the same lot as a larger house, and generally located in the rear yard. A laneway suite must be next to a public laneway.

You should also keep in mind the following:

- If you are a homeowner and have an insurance policy, you should understand the implication of operating a short-term rental. You may wish to ask your insurance company about the appropriate insurance product for short-term rentals.
- If you reside in a condominium, note that some condominium corporations have their own bylaws regarding short-term rentals, including prohibiting short-term rentals. It is your responsibility to understand and follow the rules set out by your condominium.
- If you are a tenant who rents from a landlord, you should be aware of your responsibilities under the Residential Tenancies Act and your lease agreement with your landlord.
- If you reside in a secondary suite, it must be permitted by zoning bylaws and comply with Building Code and Fire Code requirements. For more information, contact [Toronto Building](#).



Operating a Short-Term Rental

Once you have registered with the City of Toronto and received your registration number, you can operate your short-term rental. As an operator, you are required to follow certain rules to ensure that you are a responsible neighbour, maintain safe standards within your home, and meet record keeping and tax requirements.

Advertising Your Short-Term Rental

Upon receiving your City-issued short-term rental registration number, you must post this number on all your advertising and listings.

Any invoice, contract, receipt, or similar document related to your short-term rental must include your short-term rental registration number.

Abiding by the Ontario Human Rights Code

As a short-term rental operator, you shall not discriminate against people based on race, ancestry, place of origin, colour, ethnic origin, citizenship, creed, sex, sexual orientation, gender identity, gender expression, age, marital status, family status, or disability. You also cannot refuse service to any person with a disability, including persons accompanied by a service animal.

Maintaining Guest Records

You must create and keep the following records for each transaction related to your short-term rental for three years, and provide them to the City upon request:

- the number of nights your short-term rental was rented
- the nightly and total price you charged for each rental
- the rental type e.g. the entire home rental or just room rental
- documentation to support exemptions claimed as per the City of Toronto Municipal Code Chapter 758, Taxation, Municipal Accommodation Tax

See the next section for more details on the Municipal Accommodation Tax.

Remitting and Paying the Municipal Accommodation Tax (MAT)

Starting on January 1, 2021, you must collect and remit a four per cent (4%) MAT on a quarterly basis and submit your remittance and payment within 30 days of the end of the previous quarter.

For those short-term rentals that are booked on short-term rental company platforms, the company may remit the MAT on your behalf.

It is your responsibility to ensure that you, or the company platform(s) you use, have remitted the proper amount of MAT for your short-term rental activity.

Interest and penalties apply on any overdue remittance at a monthly rate of 1.25 per cent from the first day after the tax remittance is due. Interest will apply each month thereafter on the principal amount owing during such time as the default continues at a rate of 15 per cent per annum. The City will revoke your registration or will not allow renewal of the license if you fail to remit the MAT.

Preparing for Issues or Emergencies

Alternate Contact Person and Information on using 911

When you registered your short-term rental with the City, you provided an alternate contact person in the event that you cannot be reached during your guests' stay. This contact must be available 24 hours 7 days a week during your guests' entire rental periods.

You must provide your guests information about the alternate contact and instructions on how to contact 911 emergency service. For example, the notice should advise guests that *"In an emergency, seconds count. When police, fire or medical emergencies occur, call 911. Trained emergency call takers will provide you with the information and assistance you need."*

You should also advise your guests that if they smell natural gas, freon or any other type of gas in the home, they should contact 911 immediately.

This should be displayed prominently in a clearly visible location inside the property.



Fire Exit Floor Plan

You must comply with the [Ontario Fire Code](#) and provide your guests with a floor plan showing the type, location and operation of the home's fire emergency arrangement and place it in a clearly visible place. Attached is a sample of a not to scale floor plan.

Carbon Monoxide and Smoke Alarms

If you are the owner of the home, it is your responsibility to ensure that carbon monoxide and smoke alarms are maintained in good operating condition and are tested both annually and after each tenancy change. If you are the tenant in the home, your landlord is required to provide you with a copy of the alarms' maintenance instructions; and it is your responsibility to notify the owner as soon as you become aware that the carbon monoxide or smoke alarms are not working.

Penalties and Offences

If you do not comply with the rules, you are guilty of an offence. If convicted, you may be liable to pay a fine of up to \$100,000. You may also be liable to pay a special fine that a court deems is greater than any revenue that you may be gaining from your business; as well as a fine of up to \$10,000 for each day the offence continues. You may also be charged the set fine for the following offences:

Offence	Fine (\$)
Failing to keep complete transaction record for 3 years	300.00
Failing to provide transaction records within 30 days of a request from the City	300.00
Failing to notify the City of a change in registration information	400.00
Failing to provide emergency contact information to a guest	400.00
Failing to provide information regarding 9-1-1 service to a guest	400.00
Failing to provide a diagram of exists from the building	400.00
Obstructing an authorized inspection	400.00
Discriminating based on enumerated ground	500.00
Refusing to serve a person accompanied by a service animal	500.00
Renting an entire unit for more than 180 days	700.00
Failing to provide evidence of principal residence	700.00
Failing to register a short-term rental	1000.00
Advertising, facilitating or brokering an unregistered short-term rental	1000.00
Renting or advertising property that is not a principal residence	1000.00
Advertising a short-term rental without a registration number	1000.00

Being a Responsible Operator and Neighbour

The City of Toronto has rules in place to help keep communities safe, clean, and enjoyable for residents and visitors. It is your responsibility to understand the applicable rules that apply to all properties and residents in the city. You are accountable for your short-term rental and the activity that takes place during your guests' stay. Please ensure that you understand all the rules described below.

Property Standards

Chapter 629, [Property Standards](#) bylaw sets the standards for all properties in Toronto. All property owners are required to repair and maintain their property including owners of properties that are rented out. You must ensure you are abiding by the bylaw, where applicable.

Long Grass and Weeds

If you have grass on your property, the grass must not be any taller than 20 cm, or 8 inches. This includes grass and any other vegetation that is not part of a natural garden and was planted to produce ground cover, including wildflowers, shrubs and perennials.

You are required to continue to upkeep lawn maintenance responsibilities as required in the Chapter 489, [Grass and Weeds](#) bylaw at all times.

Noise

Ask your guests to keep noise to a minimum so that it does not disturb local residents. This includes music. Chapter 591, [Noise](#) bylaw specifies decibel limits for amplified sound (music), depending on the time of the day. Noisy parties or noise from people acting disorderly, such as yelling, screaming and fighting are responded to by the Toronto police.

Garbage

Ensure that your guests have access to proper garbage, recycling and composting facilities and that the garbage is properly sorted, set out after 6:00 p.m. on collection night, and placed in a City garbage bin or a regular garbage bag with a Garbage Tag. Garbage Tags are available for purchase [online](#) and at Toronto [Shoppers Drug Mart](#) and [Canadian Tire](#) locations. If using private garbage collection, try to arrange pick-up times that aren't disruptive to nearby residents.

If you are operating a short-term rental in an apartment or condominium, you should check with the landlord, property manager, or condominium about the rules for proper garbage disposal.

It is your responsibility to ensure that you and your guests follow proper garbage disposal rules.

Parking

You should inform your guests about where they may or may not be permitted to park while staying at your short-term rental. Within Toronto, a maximum three-hour parking limit exists on public roads, unless there is signage posted indicating otherwise, e.g. a maximum 1 hour parking, maximum 15 minute parking, etc. If your residence is on a street with permit parking, then guests will need to find alternate parking arrangements. You can check toronto.ca/parking for more information on parking. More information on potential [parking restrictions](#) is available on the City's website.

Offences

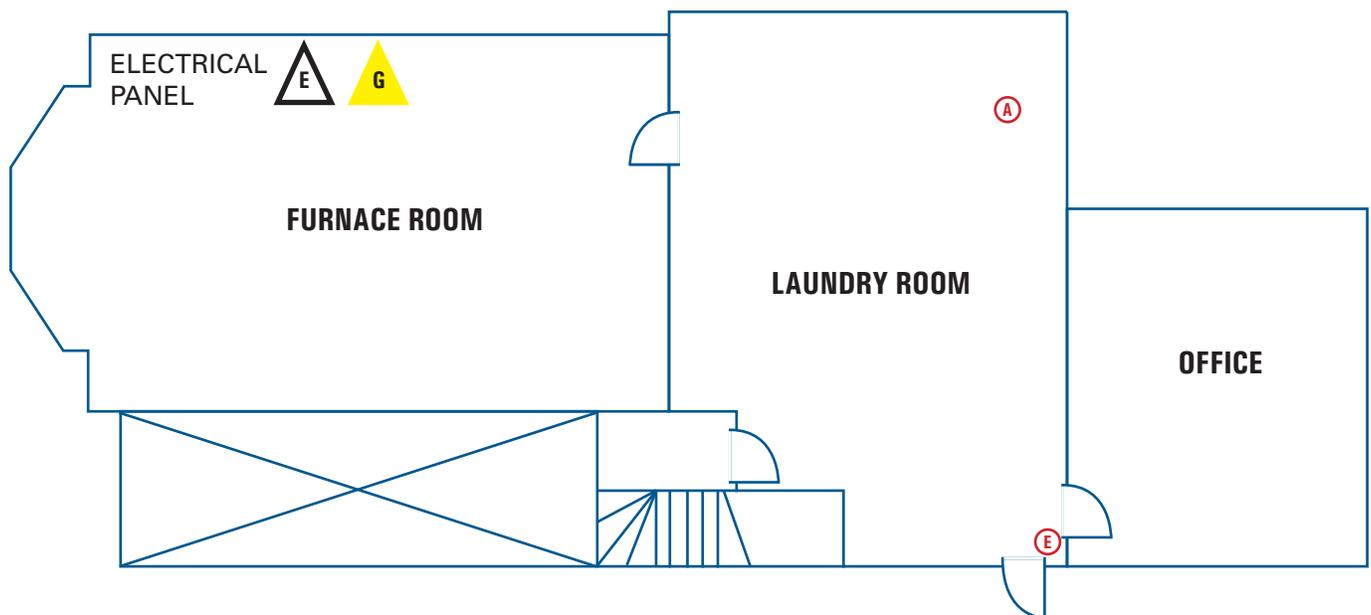
If you are charged with or convicted of offences under the bylaws referenced in this guide or other City bylaws, the City may seek to revoke your registration or deny its renewal.

Sample Fire Exit Floor Plan

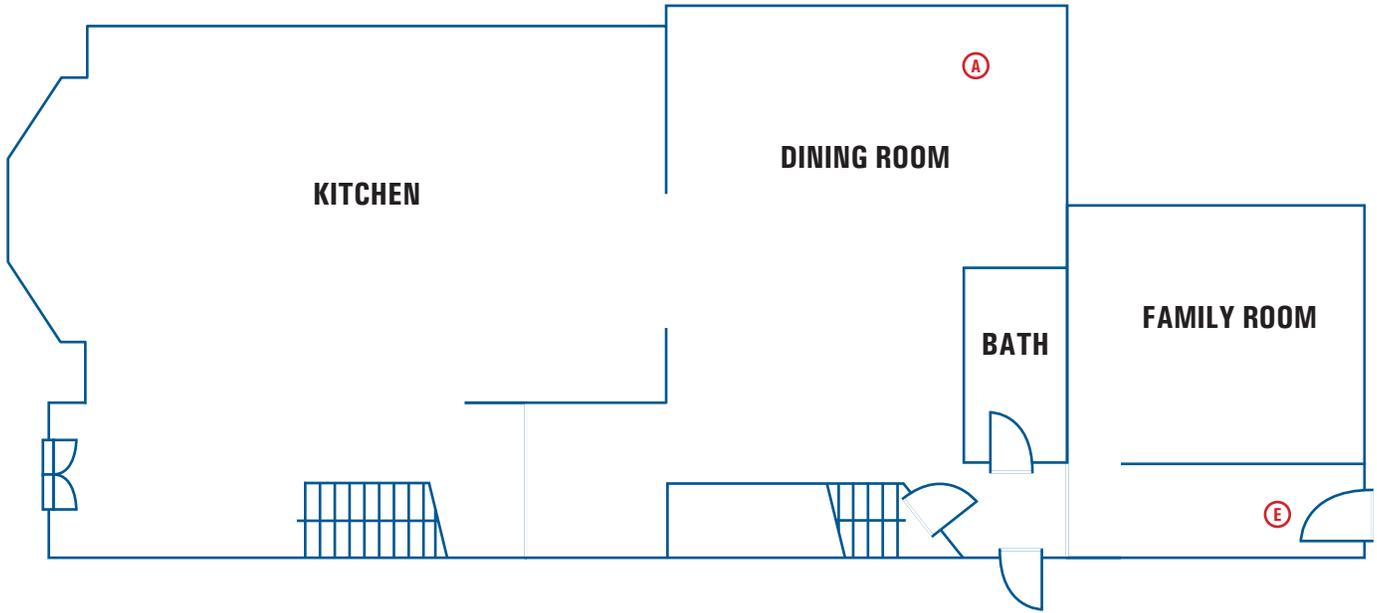
Legend

	CARBON MONOXIDE DETECTOR/ALARM
	SMOKE ALARM
	MAIN GAS SHUT OFF VALVE
	MAIN ELECTRICAL DISCONNECT SWITCH
	EXIT

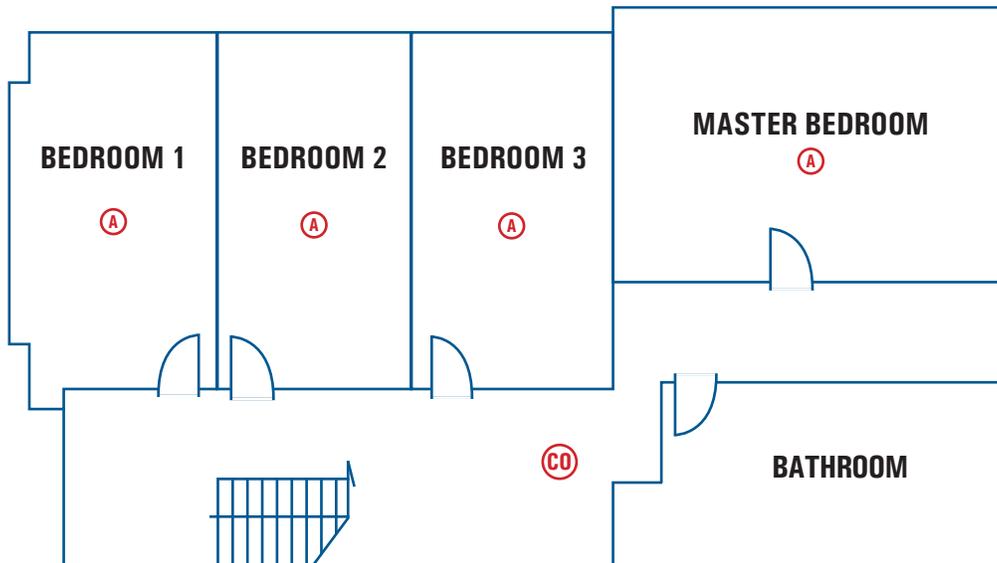
Basement Floor

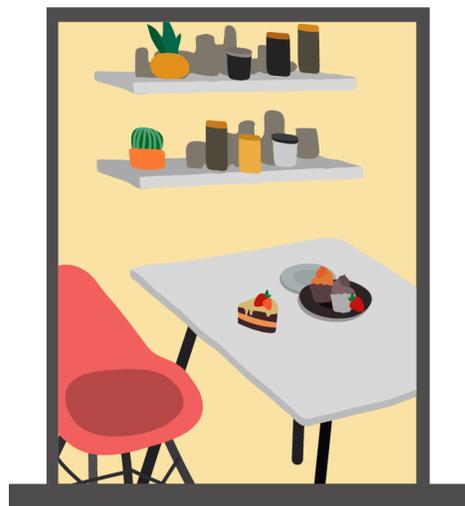
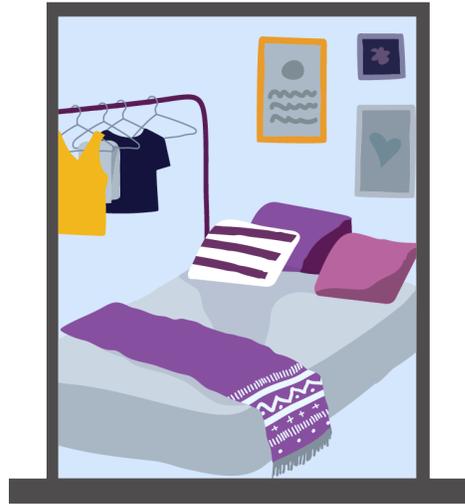


Ground Floor



Second Floor





For more information on short-term rental rules, visit toronto.ca/ShortTermRentals.

If you have any questions, please contact the Short-Term Rentals team at ShortTermRentals@toronto.ca or 416-395-6600.

