

# **Airbnb: Delivers nearly \$550,000 in revenue to Wisconsin during first 3 months of tax agreement**

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MADISON – Airbnb announced today that the company has remitted nearly \$550,000 in tax revenue on behalf of its local Wisconsin hosts in the first three months of its new tax agreement with the State of Wisconsin, far exceeding expectations.

In June, Airbnb announced a tax agreement with the Wisconsin Department of Revenue that allowed Airbnb to collect and remit state-assessed taxes on behalf of its Wisconsin hosts for all Airbnb bookings to the state. These taxes include the state sales tax, county sales and use taxes, and a handful of local resort/exposition taxes.

The tax agreement took effect on July 1. In the ensuing three months (July, August, September), Airbnb proceeded to remit \$546,000 in revenue to the State.

This tax revenue remittance — which dwarfs even the most aggressive initial projections — comes on the heels of 91,000 Airbnb guest arrivals to Wisconsin over that three-month stretch, which overlapped with Wisconsin's summer tourism high season. During that time, those guests infused \$12.3 million in combined supplemental income to Wisconsin residents who share their homes on Airbnb — reflecting over 98% growth over the same three-month stretch in 2016 (city by city

numbers available upon request).

Additionally, earlier this year Airbnb announced an agreement with Madison authorizing Airbnb to collect and remit the 10% Madison room tax on behalf of local hosts. That agreement took effect on May 1. In the ensuing five months, Airbnb has remitted \$157,000 in revenue to Madison.

Airbnb also recently announced an agreement with Green Bay to collect and remit the 10% Green Bay room tax on behalf of local hosts. That agreement took effect on August 1. In the ensuing two months, Airbnb has remitted \$19,000 in revenue to Green Bay.

This stretch included the largest surge of Airbnb guests to Wisconsin in the history of the Airbnb platform, on September 28-29. This happened to coincide with a number of festivals in Milwaukee, including Brewfest and Germanfest.

These types of tax agreements — which Airbnb proactively pursues throughout the world — are critical, because the overwhelming majority of Airbnb hosts in Wisconsin are middle-class people who host on the side for supplemental income. Therefore, figuring out the complex taxes associated with hotels and short-term lodging can be extremely challenging and often impossible for hosts. These tax agreements allow Airbnb hosts to easily pay their fair share and deliver new revenue for state governments like Wisconsin as well as municipalities like Madison and Green Bay.

Airbnb is also seeking to collaborate on similar tax agreements with any cities that administer their own municipal bed taxes. Wisconsin municipalities interested in Airbnb tax agreements can contact the company at [taxagreements@airbnb.com](mailto:taxagreements@airbnb.com).

Additionally, Airbnb's rapid growth in Wisconsin comes as Wisconsin hotels continue to experience record occupancy and revenue (see articles below). The data indicates that the sharing economy is expanding the pie of prospective tourists to Wisconsin.