

A Public Policy Perspective on Airbnb's Legal Battles

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Historically, hotel taxes have been easy to pass, but now that the money is shifting to Airbnb, cities have become increasingly concerned about [funding](#). Cities have been fighting Airbnb by imposing licensing restrictions, stricter zoning ordinances, creating maximum allotted stays, and increasing taxes.

For example, Barcelona and Berlin have implemented proper licensing laws for hosts, imposing [fines](#) on violators at around \$65,000 and \$110,000, respectively. In the United States, New York [bans](#) urban apartment owners from renting their rooms for over 30 days. Additionally, one way San Francisco is dealing with Airbnb is by imposing [fines](#) on non-registered Airbnb hosts. Other cities are going through the legislature and requesting Airbnb to abide by stricter zoning ordinances and tax laws.

Airbnb claims these cities are doing an injustice to their constituents because, without the increased restrictions, money is being shifted away from wealthy hotel owners and towards [middle class](#) families who use their homes as Airbnb rentals.

The problem with Airbnb's data about helping the middle class is it doesn't provide information about each individual host, therefore it is quite possible that their [statistics](#) are skewed so that people infer that single owners are renting out single occupancies. Some argue that it needs to follow the same tax and zoning requirements hotels face, because people are essentially running [hotels](#) by owning multiple buildings and renting them out as Airbnb's in residentially zoned areas.

While Airbnb is undoubtedly providing income to some middle class families, many cities have shown that a large percentage of income goes to multiple property owners. For example, in Los Angeles, [44 percent](#) of Airbnb's profits goes to owners who rent multiple residences.

Other concerns stem from the fear of neighborhoods being disrupted. People pay a higher price for neighborhoods with quiet tight knit communities and Airbnb can lead to an influx of [transient visitors](#) who can cause an increase in noise complaints.

While not all issues stemming from Airbnb can be mitigated by this suggestion, one solution would entail Airbnb limiting hosts to renting only one or two properties therefore limiting the number of wealthier individuals who seek to create hotel-like rentals. That way the large majority of money can go towards helping the middle class and cities have less of an argument to increase taxes and impose greater zoning restrictions on Airbnb rentals.