A Guide to the Worcester County, Maryland Rental License Application Process

Rental licenses are required when a property is offered for rent, regardless of the length of the rental term. This applies to properties located within Worcester County but <u>does not</u> include property within the municipalities. The following information outlines the submittal requirements and information that staff will review for each license request. A property owner with multiple rentals is required to submit a rental license application for each property.

Submittal requirements:

The Department shall accept a request for a rental license either in person, by mail or online when a complete package containing all required information has been provided. Each submittal shall include:

- 1. The Rental License Application, as well as the Owner's Acknowledgement and Signature sheet. Please contact the Department if you have questions on the types of licenses and what may apply to your rental scenario.
- 2. A copy of the standard lease or rental agreement and a copy of any house or property rules for renters, if applicable. Where the total number of occupants is listed in the lease agreement, staff will verify that this quantity is consistent with the occupancy limitations prior to approval (especially for short-term rentals). Where there is an inconsistency, you may be requested to revise the rental agreement or lease prior to approval of the license.
- 3. A site plan or survey of the subject property, illustrating all existing structures, including the area designated for off-street parking.
- 4. Floor plans as described below. You may also contact the office to find out if construction plans for your property are on file with the Department:
 - Where an entire dwelling unit is being offered for rent: Provide a floor plan drawn to scale that clearly shows the sizes of all rooms and areas in the structure and their intended use. In addition, the floor plan shall indicate the maximum number of people permitted to occupy the structure.
 - Where a portion of the dwelling unit is being offered for rent: Provide a floor plan drawn to scale that clearly shows the sizes and uses of all rooms and areas in the structure and specify those rooms and/or areas that may be available to rent. The floor plan shall indicate the maximum number of people permitted in each sleeping area.
 - For hotels and motels. bed and breakfast establishments. group homes and assisted living facilities: Provide a list of all rooms available for rent, including the room number, the gross square footage of the room and the maximum number of persons permitted in each room.
 - For all manufactured or mobile home parks and campgounds (other than cooperative campgounds): Provide a list of all lots or sites in the park or campground and the maximum number of persons permitted to occupy each lot or site.

- 5. <u>For Short-Term Rentals only:</u> If the dwelling or portion thereof will be rented on a short term basis (28 consecutive days or less), please provide a copy of the Short-Term Rental Addendum with your rental license application.
- 6. Fee: You may submit payment by check or online payment by credit card or ACH transfer from a bank account. Please make checks payable to "Worcester County".

Staff will examine all submitted documentation as part of the rental license review process. A license will not be issued immediately; please understand that it may take several days to process prior to issuance, depending upon the quantity of licenses received.

In addition, staff will verify that the number of bedrooms identified on the application are consistent with the number of bedrooms or other sleeping accommodations approved by the County on any Certificate of Use and Occupancy or other applicable documentation. A formal determination of the maximum permitted occupancy shall be made by the Department, and such occupancy will be reflected on the issued rental license.

Staff will also examine the property records to verify that there are no open permits or potentially unpermitted structures. Any documented items may be required to be addressed prior to the issuance of a rental license.

Once your license has been issued:

The License shall be prominently displayed on the premises. It shall be visible to the lessee as well as County personnel upon inspection. This location may be the foyer or other common room in a dwelling, the lobby of a motel or hotel, or other visible location. Please keep in mind that any form of advertisement for the rental property must contain the valid rental license number as issued by the Department.

The property owner shall be responsible for the maintenance of the property. This includes keeping it free from trash, debris, tall grass, and other public health- or nuisance-related items as defined by 1-101. In addition, all properties shall conform to the limitations and restrictions contained in the Zoning and Subdivision Control Article for the zoning district in which the property is located and the terms of the Building Regulations Article, Title 3 Property Maintenance Standards, Subtitle I Rental Housing Code, of the Code of Public Local Laws.

Changes to the Property or Rental Terms:

Only those areas, uses and number of residents, boarders or lodgers or any other parameter specifically mentioned in the rental license shall be permitted. Should the property owner for which a rental license has been issued wish to expand, alter or otherwise modify the licensed premises, a rental license modification shall be processed in conjunction with the issuance of a Certificate of Use and Occupancy for the building or zoning permit, as applicable.

When a property is transferred, the new property owner must obtain a new rental license through Worcester County. Licenses are non-transferrable, and fees are not prorated.

When is room tax required to be paid?

All short-term rentals are subject to room tax, as are certain long-term rentals. These have been identified as Class 1 and Class 2A licenses on the application and fee schedule. Room Tax is paid to the Worcester County Treasurer's Office when a property is rented to the same individual(s) for less than four (4) consecutive months.

Please contact the Treasurer's Office at (410) 632-0686 for specific information regarding the collection and reporting of the Worcester County Room Tax. For any questions regarding the collection and remittance of the Maryland Sales Tax, please contact the Comptroller of Maryland at (410) 260-7980.

Renewal:

A rental license is valid for one (l) year from the date of issuance. An application for renewal shall be required to be submitted a minimum of sixty (60) days prior to expiration. You will receive an automated notice ninety (90) days in advance so that you can start the renewal process and ensure that there is no lapse in coverage. If the license expires, the property shall not be rented or advertised for rent until a new license is obtained.

If you have any questions, please contact the Department at (410) 632-1200.

Rental License Fees by Class (as established by Resolution No. 21-22)

Class	Use or Structure		Annual Fee
Class 1*	Short-Term Rental		\$200 per dwelling unit
Class 2	Dwelling Unit rentals greater than 28 consecutive days		\$50 per dwelling unit
Sub-class 2A*	Dwelling Unit rentals 29 days to 4 months		
Sub-class 2B	Dwelling Unit rentals greater than 4 months		
Class 3	Keeping of roomers or boarders		\$ 100 per dwelling unit
Class 4	Mobile Home Park		\$200 per lot, site or unit
Class 5	Hotel, motel or campground		\$5 per room or site, minimum of \$250
Class 6	Bed and Breakfast Establishments		\$200 per establishment
Class 7	Group Homes and Assisted Living Facilities, single operating entity		\$250 per establishment
Class 8	Group Homes and Assisted Living Facilities, individually owned and rented units		\$100 per unit
Class 9	Any use or structure not specifically stated herein		Fee for the most similar use or structure as determined by the Department
License Modification Type		Annual Fee	
Modifications with no change in class of license		\$50	
Modifications with a change in class of license		\$50 plus incremental difference in class fee	
Modifications for additional units, rooms, or sites		\$50 plus \$5 per additional unit, room or site	