

## **Guide to the Worcester County, Maryland Rental License Application Process**

Rental licenses are required for any property offered for rent in Worcester County, regardless of the length of the rental term. Properties located within incorporated municipalities - Ocean City, Berlin, Pocomoke City, and Snow Hill - are **not licensed by Worcester County**, as rental licensing in those areas is handled directly by the individual municipality. Each rental property requires a **separate license**, even if a single owner owns multiple properties.

### **Submittal requirements:**

The Department accepts rental license applications **in person or by mail**.

A complete submission must include:

- ✓ **Rental License Application and Owner's Acknowledgement and Signature Sheet:** Please refer to the table on page 4 for guidance on license classes and fees. If you have any questions, contact the Rental License Division, so we may advise you on the best option for your specific situation.
- ✓ **Lease or Rental Agreement:** Include a copy of the standard lease or rental agreement and any house or property rules. Staff will verify that the total number of occupants listed matches occupancy limits, especially for short-term rentals. If discrepancies exist, the lease may need revision before approval.
- ✓ **Site Plan or Survey:** Show all structures, including areas designated for off-street parking.
- ✓ **Floor Plans:** All applications must include floor plans that meet the following requirements:
  - **Entire dwelling for rent:** Provide a floor plan drawn to scale showing:
    - All rooms and areas in the structure, with their intended use.
    - **Egress windows** in all bedrooms.
    - **Closets in each bedroom**, clearly marked, with their **dimensions**, as a closet is required by code for a room to qualify as a bedroom.
  - **Partial dwelling for rent:** Provide a floor plan drawn to scale showing:
    - All rooms and areas in the structure.
    - Which rooms/areas are available for rent.
    - **Egress windows and closet locations with measurements** in each bedroom offered for rent.
  - **Hotels, motels, B&Bs, group homes, assisted living facilities:** Provide a list of all rentable rooms, including:
    - Room number
    - Square footage per room
    - Maximum number of people permitted in each room
  - **Manufactured/mobile home parks and campgrounds:** Provide a list of lots/sites with the **maximum occupancy** for each.
- ✓ **Fee:** Submit payment by check with the complete application. Please make checks payable to "Worcester County." If both a long-term and short-term rental license apply to the same property, **only one license fee is required**, and the **higher fee (short-term rental license)** will apply.

## **Short-Term Rental Specific Requirements**

- **Maximum Occupancy:** Determined by the Worcester County Zoning Code and §ZS 1-351; this will appear on the issued rental license. All leases must reflect this maximum occupancy.
- **Single Rental Contract:** Each dwelling or portion offered as a short-term rental may be rented under a single contract per overnight period, regardless of the number of sleeping rooms.
- **Parking:** Two (2) parking spaces (10' x 20') are required that are fully accessible; stacking of vehicles shall not count towards the provisions for a parking space; **three (3) spaces are required if a building permit for the dwelling was submitted on or after January 1, 2020.** Street parking does **not** count.
- **Lodger Records:** Owners must maintain a record of all lodgers (names, mailing addresses, phone numbers, emails, and lodging dates) and provide it to the County upon request.
- **Events:** Hosting events or functions for people other than authorized lodgers is prohibited, regardless of payment or barter.
- **Structural Integrity:** No modifications that alter the function, appearance, or principal design of the dwelling are allowed. Please be advised that most changes require building permits. Call the main line at 410-632-1200 to find out if the work you are proposing requires a permit.

## **Application Review Process**

Staff will review all submitted documents. Licenses are **not issued immediately**; processing may take several days depending on application volume and application completeness.

During review, staff will:

- Verify that bedroom counts and wall measurements match County records and Certificates of Use and Occupancy.
- Determine **maximum permitted occupancy**, reflected on the license.
- **The County will check property records for open permits or unpermitted structures. Any issues must be resolved before rental license issuance.**

## **Once Your License Is Issued**

- Display the license **prominently** on the property (foyer, common room, or lobby).
- Include the **valid license number** in any advertisement.
- Maintain the property, keeping it free from trash, debris, tall grass, or other nuisances.
- Comply with all applicable **Zoning and Subdivision Control** regulations and **Property Maintenance Standards** (Title 3, Subtitle I, Rental Housing Code).

### **Changes to the Property or Rental Terms**

Only areas, uses, and occupancy listed on the license are permitted. Any expansion, alteration, or modification requires a **license modification** and may require a building/zoning permit and **Certificate of Use and Occupancy**.

**Property Transfers:** Licenses are **non-transferable**. The new owner must obtain a new license; fees are not prorated.

### **When a Property Is No Longer Rented**

If you decide to stop renting your property, please notify Worcester County so we can update our records.

To document this change, submit either:

- A signed renewal form indicating that the property is no longer being rented, or
- A brief signed written statement from the licensee stating that the property is no longer being rented and the reason for the change. Be sure to include date, property address, printed name and signature.

The licensee **shall notify** the County of any changes affecting the rental property, including changes in property management or mailing address, discontinuation of rental operations, nonrenewal of the rental license, or conversion between short-term and long-term rental use.

### **Room Tax**

Room tax applies to **Class 1 (short-term)** and **Class 2A (long-term)** rentals. It 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**.

- For details, contact the **Treasurer's Office** at (410) 632-0686.
- For Maryland Sales Tax questions, contact the **Comptroller of Maryland** at (410) 260-7980.

### **Renewal**

- Licenses are valid for **one (1) year** from the date of issuance.
- Submit renewal applications at least **60 days before expiration**.
- Expired licenses cannot be rented or advertised until renewed.

\*For questions, contact the Department of Review and Permitting at **(410) 632-1200, ext. 1189**.

## Rental License Fees by Class

(as established by Resolution No. 21-22)

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

\*Subject to Room Tax.