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Airbnb Talking to 100-Plus Cities in Bid to Address Tax Concerns.

Airbnb Inc. is in talks with more than 100 cities about ways to collect taxes, following tactics that have helped it appease regulators in cities like Amsterdam and Paris.

“We’re actively trying to engage with cities — we’ve put out a pledge indicating our willingness to work with cities on things like taxes and transparency,” the San Francisco-based company’s Chief Technology Officer, Nathan Blecharczyk, said in Amsterdam at a startup conference. “New policies that have been passed have been overall favorable to home sharing.”

Airbnb has agreements to automatically collect tax on behalf of 30 cities upon client payment and the municipality gets a lump sum check at the end of the month, Blecharczyk said. Last year, 5.5 million euros ($6.1 million) were collected in Amsterdam for example, he said. There’s a similar deal in Paris, one of Airbnb’s biggest markets.

Other cities are proving tougher to crack. Legal woes in Berlin are leading the city to start restricting Airbnb rentals, AFP reported. That’s the delayed result of unfavorable policy that was put in place two years ago but wasn’t enforced, “a ticking issue that has gone unaddressed,” Blecharczyk said.

“Home sharing is thriving in Berlin,” he said. “I’m sure it’ll get solved over time, there are ups and downs with these issues.”

Travelers, landlords

The European piece of the puzzle is key for Airbnb. The region in 2015 generated about $3 billion in revenue for its hosts, and accounts for more than half of the site’s travelers and about half its landlords, Blecharczyk said.

But issues with taxation — namely whether clients declare income from renting property on an online platform and pay tax on it — are part of Airbnb’s challenges, not only in Europe, but also in the U.S.

While it can collect tourist tax on behalf of municipalities, Airbnb doesn’t plan on declaring how much its hosts make to governments because that would violate customer privacy, Blecharczyk said.

To convince local governments to get on board with Airbnb, Blecharczyk said, the company is highlighting the application’s positive influence on cities. It has encouraged tourists to spend more in less-visited residential areas, as well as use less energy and water during their stay, he said.

Bloomberg Business

by Marie Mawad

May 24, 2016 — 9:36 AM PDT

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