

## Short-term rentals in tourist towns - balancing tourism and the local community

2025-07-24

On 12 June 2025, a seminar was held at the Krzysztofory Palace in Krakow, entitled "Short-term rental in tourist cities - the balance between tourism and the local community", organised to analyse the phenomenon of the intensification of short-term rental (STR) and its impact on the functioning oftourist cities. The event was initiated by the Tourism Department of the Municipality of Krakow.

The event was attended by invited guests, i.e.: representatives of local and central government administration, councillors of the Municipality of Krakow, representatives of institutions acting in the Working Group on Accommodation Base at the Mayor of the Municipality of Krakow, expert circles and entrepreneurs from the tourism sector. The event provided an excellent opportunity to exchange experiences and hear speeches from foreign representatives of cities such as Amsterdam, Paris and Vienna.

## Foreign examples: Amsterdam, Paris, Vienna

The Amsterdam representative stressed that the city's tourism policy is based on research and analysis of tourism. The Amsterdam authorities aim to limit tourist capacity by introducing a permit system and limiting, among other things, the issuing of permits for new hotels or tourist shops. The Dutch authorities have made the assumption that the main use of the dwellings is not for tourism purposes, so the maximum number of days per year that a dwelling can be rented out has been reduced to 60 days. In addition, depending on the scale of the tenancy in the district, an introduction of a limit of as few as 15 days per year is allowed. The policy pursued in this area is based on national law. As the Amsterdam representative stressed, the measures taken in the area of tourism are aimed at striking a balance respecting the interests of local residents – in accordance with the law in force.

In Paris, it is possible to rent an owner-occupied property for a maximum of 90 days per year. In the case of renting out a further dwelling, permission is required. Booking platforms are obliged to report to the mayor's office the number of days that a property was rented for. Failure to comply with Paris' rules, including rental day limits, is sanctioned by fines of up to  $\, \in \, 100\,000$ . The city conducts inspections of the premises regarding the declared activity on the premises and the inspectors have the status of public officers.

There is no official register of short-term rental properties in Vienna. Landlords of premises are legally obliged to register their rented premises for tax purposes and to report tourism statistics. From 2024, short-term rentals have been limited to a maximum of 90 days per year. It was noted that a professionalisation of the STR sector is taking place, meaning that it is increasingly common for one manager to have more than 15 dwellings. Social housing and those properties that have received support/subsidies for renovation from state funds cannot be rented for tourism purposes. As



the authorities in Vienna are aware of the potential consequences of uncontrolled and dynamic development of the STR market, they are actively monitoring the situation in an attempt to prevent future problems. Also in Vienna, inspections of rented premises are carried out by authorised public officers.

## National regulations and activities of Krakow

In his presentation, a representative of the Ministry of Sport and Tourism outlined the administrative and legal aspects of assigning identification numbers for short-term rental facilities. This sphere is of greatest interest from the point of view of public administration – both at government and local government level. He stressed that from the point of view of the Ministry of Sport and Tourism, short-term rental activities are treated as a hotel service. The law "on hotel services..." in its definition of "hotel service" explicitly indicates that such a service is the short-term rental of flats, rooms intended for the temporary stay of persons. These establishments should therefore be treated as so-called "other establishments providing hotel services" and in future registered via the municipalities in a register entitled "Central List of Hotel Facilities". The register is available at: turystyka.gov.pl. Implementation of this functionality will require appropriate legislation. As an example of good practice, the register of uncategorised facilities maintained by the Office of the City of Krakow (ekon.um.krakow.pl) was highlighted. Each facility that is on the register was given a (working)registration number, which in future – according to planned legislation – will be required and included in rental offers.

A representative from Krakow discussed the current legal status under national law regarding the registration of uncategorised facilities within the city. She also presented statistics on the notified sites and the information and education activities that are being carried out in Krakow to increase the number of notifications to the register. In addition, she pointed out the need to regulate the phenomenon of short-term rentals, inter alia by introducing precise national legislation resulting from Regulation (EU) 2024/1028 of the European Parliament and of the Council of 11 April 2024, which establishes a framework for the collection and provision of data on short-term rental services.

## Conclusions of the panel discussion

During the panel discussion, the topic of short-term rentals was presented from different perspectives. Residents, businesses operating both uncategorised and categorised venues, as well as representatives of booking platforms expressed their opinions. All participants agreed on the need to regulate this phenomenon, especially in light of the Ministry of Sport and Tourism's stated work on draft national legislation. The need to actively involve local administrations in the process of developing new legislative solutions aimed at aligning national laws with EU regulations was also highlighted.

The full report is available <u>here</u>.