

# RENTAL LAW

## FREQUENTLY ASKED QUESTIONS

I want to Know About:

### REGISTRATION

[Long Term Rentals](#)

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[Homesteader's Hardship License](#)

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### NOTIFICATION

#### **REGISTRATION**

*Who needs to register?*

Anyone with property on Shelter Island that wishes to rent that property or advertise it for rent?

*What information do I need to provide?*

- a) The owners name
- b) The address of the property to be rented
- c) Contact information for the person responsible for the rental
- d) The number of bedrooms in the house
- e) The manner in which the property will be rented (see below)

*How often do I have to renew my registration?*

Once every 2 calendar years. (Registration expires December 31 of the year after that in which it was obtained)

*Do I need to register if I have guests in my house, allow a relative to live with me or have a live in health aide?*

NO., you only need to register if you are going to be receiving rent or other compensation.

What types of Rentals may I select on registration and what is the difference between them?

		Rental Type				
		<i>15 Days +</i>	<i>Owner Occupied</i>	<i>Homesteader's Hardship</i>	<i>Vacation Rental License</i>	<i>Charity</i>
<b>Regulation</b>	<b>Registration</b>	<i>Required</i>	<i>Required</i>	<i>Required</i>	<i>Required</i>	<i>Required</i>
	<b>Notification</b>	<i>Required</i>	<i>Required</i>	<i>Required</i>	<i>Required</i>	<i>Required</i>
	<b>Fee</b>	None	None	None	\$150	None
	<b>Permitted Rentals Memorial Day to labor Day</b>	Unlimited	Unlimited	<i>1 per 1 week period</i>	1 per 2 week period	Unlimited
	<b>Permitted Rentals Out of Season</b>	Unlimited	Unlimited	<i>1 per 2 week period</i>	1 per 2 week period	Unlimited
	<b>Good Neighbor Brochure</b>	<i>Required</i>	<i>Required</i>	<i>Required</i>	<i>Required</i>	<i>Required</i>
	<b>Self Checklist</b>	Not Required	Not Required	Not Required	<i>Required</i>	Not Required
	<b>Income Verification</b>	Not Required	Not Required	<i>Required</i>	Not Required	Not Required
	<b>Corporate Records Disclosure</b>	Not Required	Not Required	Not Required	<i>Required</i>	Not Required

### Long Term Rentals

What is a long term Rental?

A rental, regardless of other circumstances of at least 15 days in duration. No license is necessary.

What regulations govern long term rentals?

You must comply with the registration and notification provisions and provide tenants with the Good Neighbor Brochure. There are no other restrictions.

### Owner Occupied Rentals

What is an Owner Occupied Rental?

A rental, where the owner or a member of the owner's immediate family resides at the premises (or in an adjacent structure) at the same time that some other portion of the premises is rented to tenants. No license is necessary

*What regulations govern Owner Occupied Rentals?*

You must comply with the registration and notification provisions and provide tenants with the Good Neighbor Brochure. There are no other restrictions.

### **Homesteader's Hardship License**

*What is the Homesteader's Hardship License?*

A license for potential renters with lower incomes that are renting out their primary residence.

*What is the advantage of this License?*

This license allows an owner who does not remain on premises during the rental term an to rent one time per week during the period between Memorial Day Weekend and Labor Day Weekend and one time each two week period the rest of the year.

*What is required to claim a Homesteader's Hardship License?*

1. Claim the license when you register
2. Provide proof that the property to be rented is receiving a basic or enhanced STAR Exemption (this information can be obtained from the assessor's office)
3. Provide redacted copies of your prior year's Federal or NY State income tax return showing that your family (before rental income) gross income was less than 500% of the current US Department of Health and Human Services Poverty Guidelines (these can be found [here](#))

*Will the Town keep copies of my tax returns?*

NO, tax returns will be reviewed for compliance by the Town Attorney and then returned to your or destroyed. You may also bring the tax return in for review to ensure its return. The town will not keep any copies.

*What Information can I redact from my tax returns?*

The town needs to see

1. Your name and address
2. The number of claimed dependents
3. Your gross income
4. Your income from rentals

*Why does the town need to see my rental income?*

To determine your eligibility for the Homesteader's Hardship License we subtract your rental income from your gross income. This way, the fact that you made money from renting will not put you over the threshold and make you ineligible for the license.

*Is a property owned by an entity other than a natural person eligible for the Homesteader's Hardship License?*

So long as the property is eligible for a basic or enhanced STAR exemption, it is also eligible for this license. As a general rule corporations, LLC's and partnerships are not eligible, but the trustee of a trust or partner in a limited partnership created solely for estate purposes may be eligible.

### **Limited Commercial Rental License**

*What is the Limited Commercial Rental License?*

This license is available to any property owner and allows that owner to rent 1 time in each 2 week period.

What needs to be submitted?

1. Registration;
2. Executed Limited Commercial Rental License Application;
3. \$150 license fee;
4. Residential Property Safety Checklist;
5. Designation of Agent
6. Certificate of Occupancy or Certificate of Compliance; and
7. If the application is for a property not owned by a natural person, such documentation as is necessary to show the owners and managers of the entity.

*What is the fee?*

150.00 for a two year license.

*What is the beginning of the rental period?*

The 2 week period begins on the first day of the term of the first rental. Thus, each time you rent must be 14 days after the first day of the prior rental.

*Can I have multiple licenses?*

No. Each nuclear family (owner, spouse or domestic partner, and minor children) is limited to a single Limited Commercial Rental License.

*Is a property owned by an entity other than a natural person eligible for the Limited Commercial Rental License?*

Yes, but each nuclear family is limited to having an interest in a single rental property. This cannot be subverted by holding the properties in different corporate entities.

## **Charity Rental**

*What is Charity Rental?*

A rental, of property by charities recognized by the Town Board as serving the needs of Shelter Island. By statute this includes, Sylvester Manor, Taylor's Island and the Nature Conservancy and the Historical Society. Other charities may apply to the town board for consideration.

*What regulations govern long term rentals?*

You must comply with the registration and notification provisions and provide tenants with the Good Neighbor Brochure. There are no other restrictions.

## **NOTIFICATION**

*Am I subject to the Notification Provision of the law?*

If you are required to register, you are also required to comply with the notification provision.

*What Do I need to do to comply with the notification requirement?*

Each time you rent to a new tenant, you must notify the town of the following:

- a) The rental registry number of the property
- b) The term of the rental

**You do NOT need to provide the names of your tenants**

*Where do I go to make the notification?*

This can be done using the online form, by email, in person or by telephone

*What does notification cost?*

There is no charge associated with notification

*When do I have to get the notification to the Town?*

Any time before the beginning of the rental term,

*What if I forget?*

It is better to be late than to do nothing. There is no penalty for reporting late.

*What if I have a month to month tenant?*

Write Month to Month on the notification form. You will only have to submit a new notification when you change tenants.

## **COMPLAINTS**

*If I believe someone is violating the law, how do I report it?*

There is an online complaint form or you can report it to the Ordinance Inspector at personally, by telephone at (631) 749-0291 or by email at [rentals@shelterislandtown.us](mailto:rentals@shelterislandtown.us)

If there is an emergency situation call the police at (631) 749-0600 or 911