Rental License Renewal



Introductions

This meeting will not be recorded, but you will receive a copy of the presentation. Feel free to ask questions in the Q & A section. We will break to answer questions after each topic and have time for Q & A at the end of the webinar.

Rental License Intro

Who needs a rental license?

Rental License

Who needs a rental license?

The owner of any dwelling unit, multiple family dwelling, rooming house, dormitory, hotel, one-family dwelling, two-family dwelling, rooming unit, or certain visitor accommodations let for occupancy must obtain a rental license. No person shall collect rent with respect to any property that is required to be licensed prior to the issuance of the license.

 The Rental License is effective the day it is issued and is valid for one year. It must be renewed annually.

Rental License

Rental License Fees

- \$63 per dwelling unit. There is no fee for owner-occupied dwelling units.
- Renewal late fee: If you renew your license more than 60 days after the due date, you will be charged 1.5% of the license fee for each month since the license expired.

License Requirements

What do I need to renew?

First Time Requirements

Activity License

- A <u>Commercial Activity License</u> (CAL) is required if the property is not owner-occupied, or owner occupied with more than 4 units. This license links all of your businesses and the legal entity you registered for your <u>Business Income and Receipts Tax</u> (BIRT).
- An <u>Activity License</u> (2-4 Unit Owner-Occupied) is required if the property is owner-occupied and has 4 units or less. A <u>School Income Tax</u> (SIT) account is required if this is the only business rendered.

Legal Use/Zoning

For two or more dwelling units, you must have a <u>Zoning Permit</u>. For three or more units, you must also have a <u>Certificate of Occupancy</u>, but only if the Zoning Permit was issued after 1999.

Tax Compliance

License holders are required to be tax compliant with the Philadelphia
 Department of Revenue (Revenue). The license holder is required to file tax
 returns and make payment of any monies due as a result of taxes imposed
 by the City or School District of Philadelphia. Tax compliance is automatically
 verified with Revenue during license application and license renewal.
 (see. eCLIPSE and Tax Account Issues FAQ)

Lead safety

The Department of Health's Lead and Healthy Home Program ensures Philadelphians are free and safe from lead and other hazards.

As of October 1, 2020, landlords are required to test and certify rental properties as lead-safe or lead-free when:

- Execute a new or renew a lease
- Obtain or renew a Rental License.

The requirement applies to all residential properties (see. Rental Property Certification Law).

Lead safety (cont.)

If the property was built after February 1978, the landlord is exempt from getting the property tested for lead paint hazards. The landlord must submit a Property Owner Statement of Exemption form and supportive documentation that the property was built after February 1978. In the link below you will find the Property Owner Statement of Exemption form and submittal instructions for property owners seeking exemption from the Philadelphia Lead Paint Disclosure and Certification Law.

Lead and Healthy Homes Resources for Landlords

- Lead safety (cont.)
 - If the property was built before March 1978, the landlord must contact an Environmental Protection Agency (EPA) certified lead dust sampling technician (LDST) to perform a lead-safe dust sampling test in the home or property unit. A list of LDST can be found on the <u>Lead and Healthy Homes Resources for Landlords</u>.
 - To submit the certificate to the Health Department, a landlord can upload their dust wipe results and certificate to the <u>Lead Certification Submission System</u>.

- Lead safety (cont.)
 - Lead certification documents are <u>not</u> accepted via email, mail, fax or inperson.

• For further questions contact the Lead and Healthy Home Program at 215-685-2788 or email LeadCert@phila.gov

Violations

- The rental property must not have any outstanding L&I violations. To check for violations on a property, visit <u>atlas.phila.gov</u>.
- To comply with the violations, contact the Inspector at the appropriate L & I
 District office.
 - To find which district your rental property is in visit Phila: Gov About-
 contact us to use the interactive map. Enter the property address to see the district. District contact information is located on the same page.

Renewal Methods

How do I renew my Rental License?

Renewal Methods

- Renew online using <u>eCLIPSE</u>. Refer to the online help materials on the website at <u>www.phila.gov/li</u>
- Schedule an <u>online one-on-one appointment</u> with an L & I representative. All online meetings will be conducted via zoom.
- Schedule an <u>in-person appointment</u> at our Permit and License Center in the Municipal Services Building.

Renewing on eCLIPSE

How do I renew my Rental License?

Renewing on eclipse

- Associate an Activity License
 - Step-By-Step Guide for Associating an Activity License
- How To Renew A Rental License
 - Step-By Step Guide for renewing on eCLIPSE
- How to use the <u>Shopping Cart</u>

Frequently Asked Questions

Frequently Asked Questions

Q: I am a new owner; how do I change the license to my name?

A: Licenses are not transferable. When a property changes ownership, the new owner must obtain their own license.

Q: What do I do if my property has no tenants?

A: If you own an unoccupied residential property, you need a <u>Vacant Residential Property License</u>. This license helps the City keep track of properties that are not occupied and assists the City in safety efforts. If you need this license and don't get it, you may be subject to fines and violations.

Q: Do I need a Rental License to rent out my commercial space?

A: A Rental License is not required to rent out a commercial space. However, the property owner needs a Commercial Activity License. The commercial space must be properly zoned for the commercial use.

Frequently Asked Questions (cont.)

Q: Do I need a Rental License to rent to a family member?

A: You do not need a Rental License if a unit is being occupied by a family member and no rent is collected. However, you need to submit an <u>Affidavit of Non-rental</u>. This document must be notarized.

Q: I recently increased/decreased the number of dwelling units. How do I update my license?

A: A change in occupancy requires zoning and building permits. A <u>Certificate of Occupancy</u> is required for 3 or more dwelling units, but only if the zoning was issued after 1999. If the proper permits have been obtained, <u>amend the Rental License</u> (Business License) via eClipse to reflect the current number of dwelling units.

Q: I recently moved into a former rental property. How do I cancel my license?

A: <u>Amend the Rental License</u> to request the license closure. Include proof-of-residency (Government issued photo).

Other Resources

- o <u>L & I Website</u>
- eCLIPSE help guides
- Real estate and property business license materials
- Contact L & I
- Department of Revenue website
- Lead and Healthy Home Program

Thank You! Questions?

To build and sustain a safer Philadelphia, L&I embraces best practices in technology and customer service. We enable the public to access information, secure required approvals, and comply with building safety requirements in a convenient, reliable, and transparent manner.

L&I achieves code compliance through collaboration, education, and effective enforcement measures that hold businesses, contractors, and property owners accountable.

