

# Residential Short-term Rental Property within the Rainbow Bay Subdivision

## Terms and Conditions

As of March 2023, all property owners operating a short-term vacation rental in the Bahamas are required to register their properties with the Bahamas Department of Inland Revenue. Due to the rapid expansion of short-term rental properties in the Rainbow Bay Subdivision, the Rainbow Bay Property Owners Association (RBPOA) Board has adopted Resolution 1019 to manage the new regulations, the increased property usage and to mitigate the impact on the subdivision infrastructure.

Whenever a homeowner decides to rent their property to an individual(s) in a manner that replicates that of a hotel, inn or motel, it is viewed as a business commercial activity and the requirements of the *Hotels Act* are enforceable. A permit is also required by RBPOA Board authorizing such activity.

### I. Definitions

- a. "Dwelling" or "home" is considered to be single family.
- b. "Extended family member" means all related persons not of the immediate household. For example: aunts, uncles, cousins, grandparents.
- c. "Long-term rental" is a dwelling rented to the same individual or party for a period equal to or greater than 45 days.
- d. "Stand alone rental property" is a rental property not occupied by the owner, but located on the same Lot as the owner's dwelling or on another Lot in the same location and used as a dwelling unit.
- e. "Owner-occupied rental property" is an owner-occupied rental home (OORH) that the owner also lives in or vacates for the purpose of short term rental whether on a seasonal or permanent basis.

All property owners operating a short-term vacation rental in the Bahamas are required to register their property with the Bahamas Department of Inland Revenue through their website portal: <https://inlandrevenue.finance.gov.bs/vacation-rental/>. Rental property owners should also consider related Bahamian legislation such as the *Hotels Act Chapter 288*, *Real Property Tax Act Chapter 375* and the *International Persons Landholding Act 1993 Chapter 140*.

The *Rental Permit Form* is attached as Appendix B, to which the following apply:

- a. Permit will be issued for one (1) year.

- b. Permits will not be issued until the owner is current with RBPOA fees.
- c. The annual Permit Fee is set out in the attached Appendix A (Short-Term Rental Permit Fees).
- d. Permit fees will be billed by the RBPOA office.

The rental property must meet all Bahamian legislative requirements as well as these local requirements:

- i. Property must have functioning smoke alarms.
- ii. Minimum of two (2) working fire extinguishers.
- iii. No excessive noise such as music after 10:00pm.
- iv. Renters must take all garbage to the trash site. Owners must provide directions to the trash collection site in the rental information.
- v. Access to beaches and tennis court is allowed.
- vi. Rental property owners must inform their renters that drone usage is regulated. All drones must be registered in the Bahamas (<https://caabahamas.com/drone-registration/>) and operated in accordance with the Bahamas Civil Aviation Authority's Schedule 27 (Unmanned & Remotely Piloted Aircraft). Further information is available at <https://caabahamas.com/drone-faqs/>.
- vii. Property owners shall not place signs or any other form of advertising on or around their property without approval from the RBPOA Board.
- viii. If established, a Night Watch will inform owners of violations, otherwise the task will fall upon the Maintenance Director.

All short-term residential, owner-occupied and "stand alone" rental properties are subject to RBPOA annual dues and Rental Permit fees. Long-term leases and long-term rental agreements are exempt from Rental Permit fees. Extended family members are not considered renters.

The Bahamas government publication *Basic Requirements - Owner Occupied Rental Homes* ([https://www.tourismtoday.com/sites/default/files/oorh\\_basic\\_requirements\\_september\\_2016.pdf](https://www.tourismtoday.com/sites/default/files/oorh_basic_requirements_september_2016.pdf)) applies to owners living in their homes (OORH) and renting out bedrooms or part of their home. Property owners considering long-term rentals should refer to the *Bahamas Landlord and Tenant Act*.

Lot owners must confirm in writing that they have read and understood the Residential Lots Sections 1 and 2 of the RBPOA Covenants prior to being issued a permit.

**PENALTY - ANY FALSE DECLARATION WILL RESULT IN THE RBPOA RENTAL PERMIT(S) BEING WITHDRAWN AND INFRINGEMENTS DECLARED TO THE RELEVANT AUTHORITIES.**

**Extract from the RBPOA Covenants Restrictions and Conditions  
(which form part of your deeds)**

**Residential Lots**

1. No trade, manufacture, business or commercial undertaking (including the business of a guest house proprietor, boarding housekeeper, or hotel operator) shall be carried on upon the said hereditaments nor shall any building be constructed or erected thereon or used for any purposes other than of a private single family residence or dwelling house and the appurtenances thereon. Nothing herein contained shall be deemed to be a prohibition against the renting of single family residences or dwelling houses constructed upon the said hereditaments, or against professional consulting of doctors, dentists and professional people within the confines of their residences.
  
2. Not more than one private residence or dwelling house with appropriate outbuildings (including rooms for the accommodation of guests, servants' quarters, garage or combined garage and apartment) shall be built upon the said hereditaments or upon each Lot comprised therein as delineated on the said Plan and no private residence or dwelling house including the appropriate outbuildings shall be built on any subdivided portion of the said hereditaments comprising less than one Lot as delineated on the said plan, provided always that nothing herein contained shall be deemed to restrict the building of one private residence with appropriate out-buildings on more than one Lot of land in the said Subdivision.

## Appendix A

### Annual Short-Term Rental Permit Fees

The annual Permit Fee is \$100 per bedroom for up to 10 bedrooms:

<b>Number of Dwellings</b>	<b>Annual Fee</b>
One (1) bedroom dwelling	\$100
Two (2) bedroom dwelling	\$200
Three (3) bedroom dwelling	\$300
Four (4) bedroom dwelling	\$400
Five (5) bedroom dwelling	\$500
Six (6) bedroom dwelling	\$600
Seven (7) bedroom dwelling	\$700
Eight (8) bedroom dwelling	\$800
Nine (9) bedroom dwelling	\$900
Ten (10) bedroom dwelling	\$1,000

## Appendix B

### RBPOA Short Term Rental Permit Application

Owners' Name:

RB Lot Location:

Telephone No:

Tax Assessment No:

Email Address:

Property Description:

Property Manager's Name:

Telephone No:

Email Address:

I/We accept the RBPOA terms and conditions in the granting of said permit and have read and understood the Residential Lots Sections 1 and 2 of the RBPOA Covenants.

Name:

Date:

Capacity:

Signature:

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#### OFFICIAL USE ONLY

Supporting Documents:

Rental permit fee applied:

Deed Y / N

No of Bedrooms x\$100:

Tax certificate Y / N

Permit fee total:

Safety certificates Y / N

Dues current Y / N

Date of Application:

Date Granted:

Fees Paid Y / N

RBPOA Inspection Y / N

Signature Director \_\_\_\_\_

Signature Manager \_\_\_\_\_