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Closing the 30-Day Corporate Buyout Loophole and Coastal STR Caps: Santa Monica's Measure TT, Coastal Commission Quotas, and Olympic Lodging Taxes Across 155 Regimes

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Abstract. Auditing California coastal ordinances and Western Olympic corridors across 155 enacted laws shows how cities protect 15%–17% TOT bases from 31-day corporate hotel buyouts while satisfying Coastal Act visitor-access mandates. Empirical highlights: 15% / 17% (Santa Monica's split Hotel (15%) vs. Home-Share (17%) TOT under Measure CS, paired with Measure TT's Major Event Period rule); 1,550 Cap (California Coastal Commission-certified Short-Term Lodging permit ceiling in Newport Beach (zero new R-1 permits)); 155 Regimes (Enacted global and U.S. municipal visitor-levy and STR laws benchmarked in MTRI Dataset v13.0 (109 U.S. city previews)).

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Santa Monica's split Hotel (15%) vs. Home-Share (17%) TOT under Measure CS, paired with Measure TT's Major Event Period rule	California Coastal Commission-certified Short-Term Lodging permit ceiling in Newport Beach (zero new R-1 permits)	Enacted global and U.S. municipal visitor-levy and STR laws benchmarked in MTRI Dataset v13.0 (109 U.S. city previews)

1. The 31-day corporate buyout loophole ahead of LA28 and the 2034 Winter Games

Nearly every U.S. municipal Transient Occupancy Tax (TOT) ordinance defines a 'transient' guest as an occupant staying 30 consecutive days or fewer—exempting stays of 31 days or longer so month-to-month residential tenants are not taxed like hotel guests. Ahead of global multi-week mega-events such as the 2028 Los Angeles Olympic and Paralympic Games (LA28) and the 2034 Salt Lake City Winter Games, however, municipal treasury auditors identified a major fiscal vulnerability: broadcast networks, corporate sponsors, and international federations booking 31-to-45-day hotel room blocks can legally claim 'permanent resident' TOT exemptions or post-stay tax refunds.[1]

Santa Monica's voter-approved Measure TT (amending Municipal Code Chapter 6.68 alongside Measure CS's 15-percent hotel and 17-percent home-share rates) establishes the first explicit municipal statutory template to close that loophole. During Council-designated 'Major Event Periods,' corporate-sponsored hotel buyouts exceeding 30 days remain subject to Transient Occupancy Tax when rooms rotate among employees, clients, or event staff—while preserving true residential protections for displaced local households.[2]

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Table 1. Statutory coastal STR containment, 30-day exemption rules, and Olympic/Western lodging stacks (2026)

Jurisdiction	Lodging / STR Tax	30-Day / Event Rule	Coastal / Zoning Cap	State Agency / Preemption	Code Citation
Santa Monica, CA	15% Hotel / 17% STR	Measure TT taxes >30d	Hosted home-share only	9th Cir. & Coastal Act	SMMC Ch. 6.68 & 6.20
Newport Beach, CA	10% TOT + 3% TBID	Standard <=30d TOT	1,550 cap; R-1 barred	CA Coastal Comm. LCP	NBMC Ch. 5.95 & 3.16
Carlsbad, CA	10% TOT + 2% CTBID	Standard <=30d TOT	Coastal Zone & La Costa	CA Coastal Zone boundary	CMC Ch. 5.60 & 3.12
Oceanside, CA	10% TOT + 2.5% OTMD	Standard <=30d TOT	Permit + HOA/coastal	CA Coastal Comm. review	OCC Ch. 24 & Ch. 34
Long Beach, CA	13% TOT + 3% LBTBIA	Standard <=30d TOT	800 cap; tract opt-out	Coastal LCP certification	LBMC Ch. 3.64 & 5.77
Salt Lake City, UT	13.82%+ State/Cty/City	<30d centralized TRT	2034 Winter Games hub	UT § 10-8-85.4 ad rule	UT Code Title 59 Ch. 12
Albuquerque, NM	6% Lodger + ~7.6% GRT	<29d Lodgers/Hosp.	$120 permit; 1hr agent	NM Gross Receipts sync	ROA Ch. 13 Art. 19

2. Navigating California Coastal Commission scrutiny: containment vs. outright bans

Along the 1,100-mile California coast, cities cannot unilaterally ban residential vacation rentals inside the Coastal Zone without Local Coastal Program (LCP) certification or Coastal Development Permit review under the California Coastal Act of 1976, which treats lower-cost visitor accommodations as protected coastal access. Coding Southern California coastal cities in Version 13.0 of the Meridian Global Dataset (155 jurisdictions) reveals four legally durable architectures that have cleared judicial or Coastal Commission review.

Santa Monica pairs a strict host-present Home-Sharing ordinance (upheld by the Ninth Circuit) with a two-percentage-point TOT premium on home-shares (17 percent vs. 15 percent on hotels). Newport Beach negotiated a hard 1,550-permit coastal ceiling with zero new permits in single-family R-1 zones; Carlsbad restricts whole-home Short-Term Vacation Rentals strictly to its Coastal Zone and La Costa resort corridor while barring them across inland neighborhoods; and Long Beach caps unhosted registrations at 800 citywide while empowering individual census tracts to petition for three-year bans.[3]

3. Interior Western preemption and Gross Receipts integration: Utah, Arizona, and New Mexico

Across Mountain and Southwest gateways preparing for Olympic and convention growth, state tax centralization shapes local enforcement. In Salt Lake City (~13.82 percent combined State, Salt Lake County convention, and municipal Transient Room Tax stack), the Utah State Tax Commission administers lodging collections centrally while Utah Code § 10-8-85.4 bars cities from fining residents solely for posting an online rental listing without independent proof of a short-term stay.

By contrast, Albuquerque, New Mexico layers a 5-percent municipal Lodgers' Tax and 1-percent Hospitality Fee atop ~7.625-percent Gross Receipts Tax (~13.6 percent total) and enforces annual Ordinance O-20-34 permits requiring active New Mexico Business Tax IDs and one-hour local-agent response.[4] Host cities drafting 2027–2028 revenue ordinances should pair Major Event Period corporate-block clauses with tax-ID permit cross-matching well before

hotel room-block contracts are signed.

References

[1] Chaiwat Saechueng and Mukesh Thakur, Global Dataset of Enacted Visitor Levies, Cruise Berth Caps, Timed-Entry Quotas, and Short-Term Rental Laws (2026 Edition — 155 Jurisdictions), v13.0, Meridian Tourism Research Institute / Harvard Dataverse, https://doi.org/10.7910/DVN/YAQLA1.

[2] Santa Monica Municipal Code Ch. 6.68 (15% Hotel TOT / 17% Home-Share TOT under Measure CS; Major Event Period >30-day corporate stay rule under Measure TT, 2026) & Ch. 6.20.

[3] Newport Beach Municipal Code Ch. 5.95 (Ord. No. 2022-14, 1,550 STL Cap); Carlsbad Municipal Code Ch. 5.60 & Ch. 3.12 (10% TOT + 2% CTBID); Oceanside City Code Ch. 24 & Ch. 34, Art. IV; Long Beach Municipal Code Ch. 5.77.

[4] Utah Code Title 59, Ch. 12 & § 10-8-85.4; Albuquerque Revised Ordinances Ch. 13, Art. 19 (Ord. O-20-34) & Ch. 4, Art. 4 & 8 (5% Lodgers' Tax + 1% Hospitality Fee).

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