Guest Tax Policy — Furnished Rental Group

This Guest Tax Policy ("Policy") forms part of the **Furnished Rental Group Terms of Service**, **Payment Terms**, and **Service Fee Policy**. It explains how taxes may apply to reservations made through the FRG Platform ("Platform"), and the respective responsibilities of **Guests**, **Hosts**, and **FRG** in ensuring compliance with global, regional, and local tax regulations.

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1. Purpose & Scope

This Policy applies to all reservations booked through the FRG Platform and covers:

- **Guests**: Individuals booking accommodations or experiences through the Platform.
- **Hosts**: Individuals or entities listing accommodations subject to tax obligations.
- **FRG Payments**: Entities processing payments, tax collections, and remittances where legally required.

Taxes governed by this Policy may include:

- **Occupancy taxes** (e.g., hotel or lodging taxes)
- **Tourism or destination fees**
- **Value Added Tax (VAT)** or **Goods and Services Tax (GST)**
- **Municipal, state, or regional taxes**

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2. Guest Access to Tax Information

2.1 Pre-Booking Transparency

- Guests can review **all applicable taxes** in the price breakdown before confirming a reservation.

- Hosts must disclose any **additional mandatory taxes** in:
    - The listing description,
    - The reservation summary, and
    - Direct communication with Guests before booking.

2.2 Recommended Best Practice

- Hosts are strongly encouraged to **include taxes in the total reservation price** to ensure clarity and avoid unexpected charges at check-in.

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3. Host Responsibilities for Tax Compliance

3.1 Disclosure Obligations

Hosts must:

- Clearly disclose any taxes **not automatically collected by FRG**;
- Provide Guests with information about tax calculation methods (e.g., per night, per guest, percentage-based);
- Offer receipts upon request where required by law.

3.2 Direct Collection

Where **local law requires Hosts to collect taxes directly**, they may:

- Collect taxes through the **FRG Resolution Center**, or
- Collect taxes at **check-in**, if disclosed **before booking confirmation**.

3.3 Reporting & Recordkeeping

Hosts are responsible for:

- **Registering** with tax authorities where required;

- **Remitting collected taxes** to appropriate agencies;
- Maintaining **records for at least 5 years** or longer if local law requires.

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4. FRG Responsibilities for Tax Collection & Remittance

In certain jurisdictions, FRG may be legally obligated to:

- **Collect taxes** on behalf of Hosts or Guests;
- **Remit taxes** directly to relevant tax authorities;
- **Display tax amounts** in the booking price breakdown and on Guest receipts.

Where FRG collects taxes:

- Tax amounts appear **automatically** on the booking page;
- Receipts include the **jurisdiction name**, **tax rate**, and **total tax amount** collected.

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5. Value Added Tax (VAT) & Goods and Services Tax (GST)

5.1 FRG Service Fees

- VAT/GST applies to **FRG service fees** in jurisdictions taxing electronic services.
- Countries imposing VAT/GST on digital platforms require FRG to:
    - Charge applicable VAT/GST on Guest and Host service fees,
    - Remit collected VAT/GST directly to tax authorities.

5.2 Regional Variations

- In the **European Union**, VAT applies under **Directive 2006/112/EC** for electronic services.
- In **China**, FRG must apply VAT to **all service fees** processed via FRG China entities.
- In **Australia & New Zealand**, GST applies under **Australian GST Law** and **NZ GST Act** for digital platforms.

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6. Occupancy, Tourism & Local Taxes

- Local tax authorities may impose:
  - **Percentage-based lodging taxes** on nightly rates,
  - **Per-night or per-guest charges**, or
  - **Destination or municipal fees**.

FRG complies with local laws where required to collect and remit these taxes directly on behalf of Hosts.

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7. Exemptions & Refunds

- Certain jurisdictions offer tax **exemptions** for:
  - Long-term stays (e.g., stays exceeding 30 nights),
  - Guests qualifying under **diplomatic, governmental, or non-profit exemptions**.
- Refund requests for incorrectly charged taxes follow **local tax authority procedures** and **FRG internal processes**.

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8. Regional Variations

8.1 United States & Canada

- State, county, or municipal lodging taxes may apply.
- FRG collects and remits taxes in jurisdictions requiring **marketplace facilitators** to act as tax collectors.

8.2 European Economic Area (EEA) & United Kingdom

- VAT applies to electronic services under **EU VAT Directive 2006/112/EC** and **UK VAT Regulations**.

8.3 Australia & New Zealand

- GST applies under **Australian GST Law** and **New Zealand GST Act** for short-term accommodation services booked through digital platforms.

8.4 Brazil

- Local taxes include **ISS (Service Tax)** and **ICMS (Goods & Services Tax)** depending on municipal or state law.

8.5 China

- VAT applies to all bookings processed through FRG China under **Chinese VAT Law** for electronic services.

8.6 Rest of World

- Local tax laws govern where not otherwise covered above.

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9. Data Privacy in Tax Collection

- FRG processes tax-related personal data in compliance with:
    - **GDPR** (EEA),
    - **CCPA** (California),

    - **LGPD** (Brazil),
    - **PIPL** (China), and other applicable laws.
- Tax data may be shared with **authorized tax authorities** or **licensed third-party processors** as required.

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10. Enforcement & Compliance

Failure by Hosts or Guests to comply with tax obligations may result in:

- **Withholding of payouts**,
- **Listing suspension or removal**,
- **Account termination**,
- Reporting to tax authorities where legally mandated.

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11. Dispute Resolution

Tax-related disputes follow the **FRG Terms of Service** and **Payment Terms** procedures, including:

- Informal resolution through FRG Support;
- Arbitration for U.S. users;
- Local consumer dispute bodies where legally required.

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12. Modifications to this Policy

FRG may amend this Policy to reflect:

- Changes in **tax laws or regulations**,

- Updates to **platform tax collection functionality**,
- **Jurisdictional requirements** imposed on digital platforms.

Material changes will be communicated at least **30 days in advance** of enforcement.

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13. Effective Date

This Policy becomes effective on **September 3, 2025**, unless otherwise required by local law.

This **FRG Guest Tax Policy** now provides a **comprehensive global tax framework** covering:

- **Pre-booking transparency**,
- **Host and FRG obligations**,
- **VAT/GST compliance**,
- **Regional variations**, and
- **Data privacy considerations**.