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## Mexico Enacts Amendments to Mexico City's Tourism Law and Rules for Private Lodging Accommodations

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On April 4, 2024, a decree was published in Mexico City's Official Journal amending and adding numerous provisions of the local Mexico City Tourism Law ("Tourism Law"), which became effective the day after its publication (the "Amendment"). The main purpose of the Amendment to the Tourism Law is to regulate the services and platforms for temporary lodging, particularly concerning platforms such as AirBNB and Booking, and other similar platforms.

The Amendment is the first of its kind in Mexico and follows a trend in other major tourist cities around the world that seek to mitigate the adverse effects of gentrification and mass tourism.

In this sense, the Amendment essentially provides for the regulation of "Temporary Tourist Lodging", creating a registry for hosts and another registry for technological platforms. Hosts must register themselves on the respective platform to be able to register properties and rooms for residential use that they make available, and in general the characteristics of such properties. They must also create reports from time to time on the number of nights that the property /room has been used, among other obligations.

The technological platforms must also register on the new respective government platform, which includes obligations that hosts must observe, such as paying taxes and verifying the registration of hosts and properties.

The Amendment to the Tourism Law also includes a series of general obligations for property hosts that offer this type of temporary lodging, including the implementation of security, emergency and health services, among others. Likewise, general aspects of tax obligations and responsibilities to third parties for the temporary lodging service were clarified.

The penalties contemplated by the Tourism Law with respect to non-compliance with this law and the Amendment include fines for non-compliance, and possible removal from the registry for hosts and digital platforms for a certain period of time, which would prevent lodging during the sanctioned time period.

Although the Amendment does not include a particular limit as to the days of the year that properties may be used for this type of activity (as is done in New York and Rome, for example), it does represent an important regulation of the temporary lodging market, particularly given the implementation of the new standards and the establishment of several additional obligations for hosts of this type of lodging.