

Short Term Rental Qualifier Checklist

The rules behind the short term rental strategy, plus an hours log.

01 The 7 day test

- ☐ Average guest stay is 7 days or less for the year (total rental days divided by number of stays)
- ☐ Or 30 days or less if you provide significant hotel like services
- ☐ If it passes, the property isn't treated as a normal passive rental

03 Personal use

- ☐ Track every day you or family use the property
- ☐ Personal use over the greater of 14 days or 10% of rental days limits your deductions

02 Material participation

- ☐ Most common tests: 500+ hours, or 100+ hours and more than anyone else (cleaners and managers count as anyone else)
- ☐ Your spouse's hours count toward yours
- ☐ If a property manager does most of the work, it usually doesn't qualify

04 Speeding up depreciation

- ☐ A cost segregation study can move parts of the building to 5, 7 and 15 year lives
- ☐ 100% bonus depreciation applies to qualifying property acquired after January 19, 2025
- ☐ Depreciation starts when the property is ready and available for rent, not at closing

Hours log (copy this page or keep it in a spreadsheet)

Date	What you did	Hours	Proof (texts, receipts)

Good to know: Write the log as you go. Hours rebuilt from memory after the fact are the first thing to fall apart in an IRS review.

Questions?
Book a free discovery call: nxtlevelcpa.com

[Or book online directly.](#)