

Hotel groups hail new offensive on Airbnb in Paris

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France has gradually tightened controls over Airbnb, with critics blaming the US company for reducing the number of long-term rentals available in central Paris and driving up property prices

Hotel groups in Paris on Monday hailed a new legal offensive by city

authorities against home-sharing group Airbnb which is being taken to court over illegal rentals.

The French government has gradually tightened controls over the San Francisco-based firm, which critics blame for reducing the number of homes available for long-term rent in central areas of Paris and driving up [property prices](#).

Under a law passed in 2018, owners are obliged to register their rentals with tax authorities and display their number on their advertisements, while property owners cannot let them for more than 120 days a year in the biggest cities.

Paris city authorities filed a legal complaint last Friday demanding a fine of 12.5 million euros (\$14 million) against Airbnb for 1,000 properties without a registration number that were identified by local officials.

The National Group of Independent Hotelleries and Restaurants (GNI) and hotel industry lobby group AhTop hailed the move as a "strong signal" to Parisians.

"By demanding the payment of 12.5 million euros, the Paris mayor's office has underlined its desire to continue the fight against the damaging effects of these platforms," they said in a statement.

Paris Mayor Anne Hidalgo signalled on Sunday that she intended to take a tough line on the American firm, which is the market leader in online home-sharing.

"I don't have anything against Parisians hiring out their homes for a few days a year to earn a bit of extra money," she told the Journal du Dimanche newspaper.

"The problem is people with multiple properties who rent year-round to tourists without declaring it and the platforms are complicit and welcome them," she added.

Under the 2018 legislation called the "Elan law", home-sharing platforms are liable for a fine of 12,500 euros per advert violating the registration requirement.

Last September, the Paris city council member in charge of housing said he would seek an outright ban on rentals in the heart of the capital, noting that Airbnb was making the [city](#) too expensive for locals.

The move to tightly regulate Airbnb echoes actions taken in other tourist hotspots in Europe like Amsterdam, Barcelona, Berlin and New York.

Airbnb is preparing for an initial public offering (IPO) as soon as the middle of this year at a valuation estimated by analysts to be more than \$30 billion.

The lodging startup last year said its quarterly revenues topped \$1 billion for the first time.

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