

# STATE OF NEW YORK

7741

## IN SENATE

February 12, 2020

Introduced by Sen. HARCKHAM -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations

AN ACT to amend the tax law, in relation to authorizing the town of Mount Pleasant to adopt a local law to impose a hotel/motel occupancy tax for hotels not located in a village; and providing for the repeal of such provisions upon expiration thereof

The People of the State of New York, represented in Senate and Assembly, do enact as follows:

1 Section 1. The tax law is amended by adding a new section 1202-gg to  
2 read as follows:

3 § 1202-gg. Hotel or motel taxes in the town of Mount Pleasant. (1)  
4 Notwithstanding any other provisions of law to the contrary, the town of  
5 Mount Pleasant, Westchester county, and those portions of such town not  
6 located in a village, is hereby authorized and empowered to adopt and  
7 amend local laws imposing a tax on persons occupying rooms in hotels or  
8 motels in such town, as the legislature has or would have the power and  
9 authority to impose, in addition to any other tax authorized and imposed  
10 pursuant to this article.

11 (2) For the purposes of this section, the term "hotel" shall mean a  
12 building or portion of it which is regularly used and kept open as such  
13 for the lodging of guests. The term "hotel" includes an apartment hotel,  
14 a motel or a boarding house, whether or not meals are served.

15 (3) The rate of such tax shall not exceed three percent of the per  
16 diem rental rate for each room whether such room is rented on a daily or  
17 longer basis.

18 (4) Such tax may be collected and administered by the commissioner of  
19 finance or other fiscal officer of the town of Mount Pleasant by such  
20 means and in such manner as other taxes which are now collected and  
21 administered by such officer in accordance with the town charter or as  
22 otherwise may be provided by such local law.

23 (5) Such local laws may provide that any tax imposed shall be paid by  
24 the person liable therefor to the owner of the hotel or motel room occu-  
25  pied or to the person entitled to be paid the rent or charge for the

EXPLANATION--Matter in italics (underscored) is new; matter in brackets  
[-] is old law to be omitted.

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1 hotel or motel room occupied for and on account of the town of Mount  
2 Pleasant imposing the tax, and that such owner or person entitled to be  
3 paid the rent or charge shall be liable for the collection and payment  
4 of the tax; and that such owner or person entitled to be paid the rent  
5 or charge shall have the same right in respect to collecting the tax  
6 from the person occupying the hotel or motel room, or in respect to  
7 nonpayment of the tax by the person occupying the hotel or motel room,  
8 as if the tax were a part of the rent or charge and payable at the same  
9 time as the rent or charge; provided, however, that the commissioner of  
10 finance or other fiscal officer of the town of Mount Pleasant shall be  
11 joined as a party in any action or proceeding brought to collect the tax  
12 by the owner or by the person entitled to be paid the rent or charge.

13 (6) Such local law may provide for the filing of returns and the  
14 payment of the tax on a monthly basis or on the basis of any longer or  
15 shorter period of time.

16 (7) This section shall not authorize the imposition of such tax upon  
17 the following:

18 a. The state of New York or any public corporation, including a public  
19 corporation created pursuant to agreement or compact with another state  
20 or the dominion of Canada, improvement district or other political  
21 subdivision of the state;

22 b. The United States of America, insofar as it is immune from taxa-  
23 tion; and

24 c. Any corporation or association or trust or community chest, fund or  
25 foundation organized and operated exclusively for religious, charitable  
26 or educational purposes or for the prevention of cruelty to children or  
27 animals, and no part of the net earnings of which inures to the benefit  
28 of any private shareholder or individual and no substantial part of the  
29 activities of which is carrying on propaganda, or otherwise attempting  
30 to influence legislation; provided, however, that nothing in this para-  
31 graph shall include an organization operated for the primary purpose of  
32 carrying on a trade or business for profit, whether or not all of its  
33 profits are payable to one or more organizations described in this para-  
34 graph.

35 (8) Any final determination of the amount of any tax payable hereunder  
36 shall be reviewable for error, illegality or unconstitutionality or any  
37 other reason whatsoever by a proceeding under article seventy-eight of  
38 the civil practice law and rules if application therefor is made to the  
39 supreme court within thirty days after giving of the notice of such  
40 final determination, provided, however, that any such proceeding under  
41 article seventy-eight of the civil practice law and rules shall not be  
42 instituted unless:

43 a. The amount of any tax sought to be reviewed, with such interest and  
44 penalties thereon as may be provided for by local law or regulation  
45 shall be first deposited and there is filed an undertaking, issued by a  
46 surety company authorized to transact business in this state and  
47 approved by the superintendent of financial services of this state as to  
48 solvency and responsibility, in such amount as a justice of the supreme  
49 court shall approve to the effect that if such proceeding be dismissed  
50 or the tax confirmed the petitioner will pay all costs and charges which  
51 may accrue in the prosecution of such proceeding; or

52 b. At the option of the petitioner such undertaking may be in a sum  
53 sufficient to cover taxes, interest and penalties stated in such deter-  
54 mination plus the costs and charges which may accrue against it in the  
55 prosecution of the proceeding, in which event the petitioner shall not

1 be required to pay such taxes, interest or penalties as a condition  
2 precedent to the application.

3 (9) Where any tax imposed hereunder shall have been erroneously, ille-  
4 gally or unconstitutionally collected and application for the refund  
5 thereof duly made to the proper fiscal officer or officers, and such  
6 officer or officers shall have made a determination denying such refund,  
7 such determination shall be reviewable by a proceeding under article  
8 seventy-eight of the civil practice law and rules, provided, however,  
9 that such proceeding is instituted within thirty days after the giving  
10 of the notice of such denial, that a final determination of tax due was  
11 not previously made, and that an undertaking is filed with the proper  
12 fiscal officer or officers in such amount and with such sureties as a  
13 justice of the supreme court shall approve to the effect that if such  
14 proceeding be dismissed or the tax confirmed, the petitioner will pay  
15 all costs and charges which accrue in the prosecution of such proceed-  
16 ing.

17 (10) Except in the case of a willfully false or fraudulent return with  
18 intent to evade the tax, no assessment of additional tax shall be made  
19 after the expiration of more than three years from the date of the  
20 filing of a return, provided, however, that where no return has been  
21 filed as provided by law the tax may be assessed at any time.

22 (11) Revenues resulting from the imposition of tax authorized by this  
23 section shall be paid into the treasury of the town of Mount Pleasant,  
24 and shall be credited to and deposited in the general fund of such town;  
25 and may thereafter be allocated at the discretion of the board of legis-  
26 lators of the town of Mount Pleasant for any town purpose.

27 (12) If any provision of this section or the application thereof to  
28 any person or circumstance shall be held invalid, the remainder of this  
29 section and the application of such provision to other persons or  
30 circumstances shall not be affected thereby.

31 (13) Each enactment of such a local law may provide for the imposition  
32 of a hotel or motel tax for a period of time no longer than three years  
33 from the date of its enactment. Nothing in this section shall prohibit  
34 the adoption and enactment of local laws, pursuant to the provisions of  
35 this section, upon the expiration of any other local law adopted pursu-  
36 ant to this section.

37 § 2. This act shall take effect immediately, and shall expire and be  
38 deemed repealed September 1, 2023.