STATE OF NEW YORK

9264--A

Cal. No. 1432

IN SENATE

May 8, 2024

Introduced by Sen. HINCHEY -- read twice and ordered printed, and when printed to be committed to the Committee on Investigations and Government Operations -- reported favorably from said committee, ordered to first report, amended on first report, ordered to a second report and ordered reprinted, retaining its place in the order of second report

AN ACT to amend the tax law, in relation to establishing an occupancy tax in the village of Catskill; 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:

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

§ 1202-bbb. Occupancy tax in the of village of Catskill. (1) Notwithstanding any other provisions of law to the contrary, the village of Catskill, in the county of Greene, is hereby authorized and empowered to adopt and amend local laws imposing in such village a tax, in addition to any other tax authorized and imposed pursuant to this article, such as the legislature has or would have the power and authority to impose upon persons occupying any facility or short-term rental providing lodging on an overnight basis. The rates of such tax shall be four percent of the per diem rental rate for each room provided, however, such tax shall not be applicable to a permanent resident of facility or short-term rental. For the purposes of this section the term "permanent resident" shall mean a person occupying any room or rooms in any facility or short-term rental providing lodging on an overnight basis for at least thirty consecutive days.

(2) Such taxes may be collected and administered by the village treasurer or other fiscal officers of the village of Catskill by such means and in such manner as other taxes which are now collected and administered by such officers or as otherwise may be provided by such local law.

(3) Such local laws may provide that any taxes imposed shall be paid by the person liable therefor to the owner of any facility or short-term rental providing lodging on an overnight basis occupied or to the person

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

LBD15194-03-4

entitled to be paid the rent or charge for the facility or short-term rental providing lodging on an overnight basis occupied for and on account of the village of Catskill imposing the taxes and that such owner or person entitled to be paid the rent or charge shall be liable for the collection and payment of the taxes; and that such owner or person entitled to be paid the rent or charge shall have the same right in respect to collecting the taxes from the person occupying the facility or short-term rental providing lodging on an overnight basis or in respect to nonpayment of the taxes by the person occupying the facility or short-term rental providing lodging on an overnight basis, as if the taxes were a part of the rent or charge and payable at the same time as the rent or charge; provided, however, that the village treasurer or other fiscal officers of the village, specified in such local laws, shall be joined as a party in any action or proceeding brought to collect the taxes by the owner or by the person entitled to be paid the rent or charge.

(4) Such local laws may provide for the filing of returns and the payment of the taxes on a monthly basis or on the basis of any longer or shorter period of time.

(5) This section shall not authorize the imposition of such taxes upon any of the following:

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

b. The United States of America, insofar as it is immune from taxation; and

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

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

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

b. At the option of the petitioner such undertaking may be in a sum sufficient to cover the taxes, interests and penalties stated in such determination plus the costs and charges which may accrue against it in the prosecution of the proceeding, in which event the petitioner shall not be required to pay such taxes, interest or penalties as a condition precedent to the application.

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

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

(9) All revenues resulting from the imposition of the tax under the local laws shall be paid into the treasury of the village of Catskill and shall be credited to and deposited in the general fund of the village. Such revenues may be used for any lawful purpose.

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

§ 2. This act shall take effect immediately and shall expire December 31, 2027 when upon such date the provisions of this act shall be deemed repealed.