

# STATE OF NEW YORK

8347

2025-2026 Regular Sessions

## IN ASSEMBLY

May 13, 2025

Introduced by M. of A. EACHUS -- read once and referred to the Committee on Ways and Means

AN ACT to amend the tax law, in relation to authorizing the town of Highlands to impose a hotel and motel tax; 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-iii to  
2 read as follows:

3 § 1202-iii. Hotel or motel taxes in the town of Highlands. (1)  
4 Notwithstanding any other provisions of law to the contrary, the town of  
5 Highlands, in the county of Orange, is hereby authorized and empowered  
6 to adopt and amend local laws imposing in such town a tax, in addition  
7 to any other tax authorized and imposed pursuant to this article such as  
8 the legislature has or would have the power and authority to impose upon  
9 persons occupying hotel or motel rooms in such town. For the purposes of  
10 this section, the term "hotel" or "motel" shall mean and include any  
11 facility consisting of rentable units and providing lodging on an over-  
12 night basis and shall include those facilities designated and commonly  
13 known as "bed and breakfast" and "tourist" facilities. The rates of such  
14 tax shall not exceed five percent of the per diem rental rate for each  
15 room, provided however, that such tax shall not be applicable to a  
16 permanent resident of a hotel or motel. For the purposes of this section  
17 the term "permanent resident" shall mean a person occupying any room or  
18 rooms in a hotel or motel for at least ninety consecutive days.

19 (2) Such tax may be collected and administered by the chief fiscal  
20 officer of the town of Highlands by such means and in such manner as  
21 other taxes which are now collected and administered by such officer or  
22 as otherwise may be provided by such local law.

23 (3) 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-

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

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

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

17 (5) This section shall not authorize the imposition of such tax upon  
18 any transaction, by or with any of the following in accordance with  
19 section twelve hundred thirty of this article:

20 a. The state of New York, or any public corporation (including a  
21 public corporation created pursuant to agreement or compact with another  
22 state or the Dominion of Canada), improvement district or other poli-  
23 tical subdivision of the state;

24 b. The United States of America, insofar as it is immune from taxa-  
25 tion;

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

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

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

54 b. At the option of the petitioner such undertaking may be in a sum  
55 sufficient to cover the taxes, interests and penalties stated in such  
56 determination plus the costs and charges which may accrue against it in

1 the prosecution of the proceeding, in which event the petitioner shall  
2 not be required to pay such taxes, interest or penalties as a condition  
3 precedent to the application.

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

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

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

27 (10) 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 § 2. This act shall take effect immediately and shall expire and be  
32 deemed repealed 2 years after such date.