

# STATE OF NEW YORK

3865

2025-2026 Regular Sessions

## IN SENATE

January 30, 2025

Introduced by Sen. MAY -- 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 an occupancy tax in the city of Auburn; 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-z-5 to  
2 read as follows:

3 § 1202-z-5. Occupancy tax in the city of Auburn. (1) Notwithstanding  
4 any other provision of law to the contrary, the city of Auburn, in the  
5 county of Cayuga, is hereby authorized and empowered to adopt and amend  
6 local laws imposing in such city a tax, in addition to any other tax  
7 authorized and imposed pursuant to this article, such as the legislature  
8 has or would have the power and authority to impose upon persons occupy-  
9 ing any room for hire in any hotel. For the purposes of this section,  
10 the term "hotel" shall mean a building or portion of it which is regu-  
11 larly used and kept open as such for the lodging of guests. The term  
12 "hotel" includes an apartment hotel, a motel, a boarding house, and  
13 facilities designated and commonly known as a "bed and breakfast" and  
14 similar "tourist" facilities, whether or not meals are served. The rate  
15 of such tax shall not exceed five percent of the per diem rental rate  
16 for each room whether such room is rented on a daily or longer basis.

17 (2) Such taxes may be collected and administered by the chief fiscal  
18 officer of the city of Auburn by such means and in such manner as other  
19 taxes which are now collected and administered by such officer or as  
20 otherwise may be provided by such local law.

21 (3) Such local laws may provide that any taxes imposed shall be paid  
22 by the person liable therefor to the owner of the room for hire in the  
23 tourist home, inn, club, hotel, motel or other similar place of public

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

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1 accommodation occupied or to the person entitled to be paid the rent or  
2 charge the room for hire in the tourist home, inn, club, hotel, motel or  
3 other similar place of public accommodation occupied for and on account  
4 of the city of Auburn imposing the tax and that such owner or person  
5 entitled to be paid the rent or charge shall be liable for the  
6 collection and payment of the tax; and that such owner or person enti-  
7 tled to be paid the rent or charge shall have the same right in respect  
8 to collecting the tax from the person occupying the room for hire in the  
9 tourist home, inn, club, hotel, motel or other similar place of public  
10 accommodation, or in respect to nonpayment of the tax by the person  
11 occupying the room for hire in the tourist home, inn, club, hotel, motel  
12 or similar place of public accommodation, as if the taxes were a part of  
13 the rent or charge and payable at the same time as the rent or charge;  
14 provided, however, that the chief fiscal officer of the city, specified  
15 in such local laws, shall be joined as a party in any action or proceed-  
16 ing brought to collect the tax by the owner or by the person entitled to  
17 be paid the rent or charge.

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

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

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

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

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

40 d. A permanent resident of a hotel or motel. For the purposes of this  
41 section, the term "permanent resident" shall mean a natural person occu-  
42 pying any room or rooms in a hotel or motel for at least ninety consec-  
43 utive days.

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

52 a. The amount of any tax sought to be reviewed, with such interest and  
53 penalties thereon as may be provided for by local laws or regulations  
54 shall be first deposited and there shall be filed an undertaking, issued  
55 by a surety company authorized to transact business in this state and  
56 approved by the superintendent of financial services of this state as to

1 solvency and responsibility, in such amount as a justice of the supreme  
2 court shall approve to the effect that if such proceeding be dismissed  
3 or the tax confirmed the petitioner will pay all costs and charges which  
4 may accrue in the prosecution of such proceeding; or

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

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

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

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

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

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

44 § 2. This act shall take effect immediately and shall expire and be  
45 deemed repealed December 31, 2028.