STATE OF NEW YORK

6998

2025-2026 Regular Sessions

IN SENATE

March 28, 2025

Introduced by Sen. TEDISCO -- 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 hotel and motel taxes in Saratoga county and the city of Saratoga Springs

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

Section 1. Section 1202-g of the tax law, as amended by chapter 372 of the laws of 1987, subdivisions 1-a and 1-b as amended and subdivision 1-c as added by chapter 24 of the laws of 2003, paragraph a of subdivision 6 as further amended by section 104 of part A of chapter 62 of the laws of 2011 and subdivision 9 as amended by chapter 262 of the laws of 2015, is amended to read as follows:

§ [~~1202-g. Tourist home, inn, hotel~~] **1202-g-1. Hotel** or motel taxes in Saratoga county and the city of Saratoga Springs. (1) **a.** Notwithstanding any other provisions of law to the contrary, the county of Saratoga is hereby authorized and empowered to adopt and amend local laws imposing in such county 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 [~~tourist home, inn,~~] hotel or motel rooms in such county. The rates of such tax shall [~~be one~~] **not exceed three** percent of the per diem rental rate for each room provided, however, such tax shall not be applicable to a permanent resident of [~~such tourist home, inn,~~] **a** hotel or motel [~~or to rooms in a tourist home having less than four rentable units~~].

b. For the purposes of this section [~~the term~~]**:**

(i) "hotel" or "motel" shall mean and include any facility consisting of rentable units and providing lodging on an overnight basis and shall include those facilities designated and commonly known as "bed and breakfast" and "tourist" facilities; and

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

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(ii) "permanent resident" shall mean a person occupying any room or rooms in a [~~tourist home, inn,~~] hotel or motel for at least ninety consecutive days.

(1-a) Notwithstanding any other provisions of law to the contrary, the city of Saratoga Springs, in the county of Saratoga, is hereby authorized and empowered to adopt and amend local laws imposing in such city 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 [~~tourist home, inn,~~] hotel or motel rooms in such city. The rates of such tax shall [~~be~~] not exceed one percent of the per diem rental rate for each room provided, however, such tax shall not be applicable to a permanent resident of such [~~tourist home, inn,~~] hotel or motel [~~or to rooms in such lodging facilities having less than four rentable units~~].

(1-b) Notwithstanding any other provisions of law to the contrary, the city of Saratoga Springs, in the county of Saratoga, is hereby authorized and empowered to adopt and amend local laws imposing in such city 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 [~~tourist home, inn,~~] hotel or motel rooms in such city. The rates of such additional tax shall not exceed two percent of the per diem rental rate for each room provided, however, such tax shall not be applicable to a permanent resident of such [~~tourist home, inn,~~] hotel or motel [~~or to rooms in such lodging facilities having less than four rentable units~~].

(1-c) Notwithstanding any other provisions of law to the contrary, the city of Saratoga Springs, in the county of Saratoga, is hereby authorized and empowered to adopt and amend local laws imposing in such city 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 [~~tourist home, inn,~~] hotel or motel rooms in such city. The rates of such additional tax shall not exceed two percent of the per diem rental rate for each room provided, however, such tax shall not be applicable to a permanent resident of such [~~tourist home, inn,~~] hotel or motel [~~or to rooms in such lodging facilities having less than four rentable units~~].

(2) Such taxes may be collected and administered by the county treasurer or other fiscal officers of Saratoga county 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 the [~~tourist home, inn,~~] hotel or motel room occupied or to the person entitled to be paid the rent or charge for the [~~tourist home, inn,~~] hotel or motel room occupied for and on account of the county of Saratoga and the city of Saratoga Springs 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 [~~tourist home, inn,~~] hotel or motel room, or in respect to nonpayment of the taxes by the person occupying the [~~tourist home, inn,~~] hotel or motel room, 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 county treasurer or other fiscal officers of the county and fiscal officer of the city, 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;

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 transmit 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 prop-

er 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 [~~wilfully~~] **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) Revenues resulting from the imposition of tax authorized by this section shall be paid into the treasury of the county of Saratoga and shall be credited to and deposited in the general fund of the county; the net collections therefrom shall thereafter be allocated by the board of supervisors of Saratoga county [~~fifty percent~~] for the promotion of tourism and [~~conventions and fifty percent to the Saratoga County Prosperity Partnership, Inc. for the promotion of tourism and~~] other economic development-related purposes provided, however, that the net collections pursuant to subdivision one-a of this section shall be paid to the general fund of the city of Saratoga Springs, the net collections pursuant to subdivision one-b of this section shall be paid to the city of Saratoga Springs convention and tourism bureau for use in marketing the city of Saratoga Springs as a destination for conventions and group tours and the net collections pursuant to subdivision one-c of this section shall be placed in an interest bearing capital reserve account to fund the expansion and renovation of the City Center until such time as the expansion and renovation has been completed, and thereafter shall be placed in a special account which may be drawn upon to offset any operating deficit maintained by the City Center. [~~A committee of nine persons to advise the board on expenditures made by the county for the promotion of tourism and conventions shall be appointed by such board of supervisors, four of whom shall be members of such body who shall include the chair of the board of supervisors, the chair of the board's economic development committee, the chair of the board's law and finance committee, and one member of the board of supervisors who also serves as a director of the Saratoga County Prosperity Partnership, Inc. and five additional members who shall include a representative from the Saratoga county chamber of commerce, a representative from the chamber of southern Saratoga county, a representative from the Saratoga convention and tourism bureau, a representative from the Saratoga Springs city center authority and the Saratoga county treasurer.~~]

(10) [~~Such local laws as may be enacted pursuant to this section shall remain in full force and effect only so long as the board of supervisors of Saratoga county shall continue to expend for industrial and tourist promotion at least fifty thousand dollars per annum of funds other than those revenues collected pursuant to this section and the local laws passed hereunder.~~

~~(11)~~] 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.