

STATE OF NEW YORK

7321

2025-2026 Regular Sessions

IN SENATE

April 10, 2025

Introduced by Sen. BAILEY -- 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 city of Mount Vernon 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-kk to
2 read as follows:

3 § 1202-kk. Hotel or motel taxes in the city of Mount Vernon. (1)
4 Notwithstanding any other provision of law to the contrary, the city of
5 Mount Vernon, Westchester county, is hereby authorized and empowered to
6 adopt and amend local laws imposing in such city a tax, in addition to
7 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 city. For the purposes of
10 this section, the term "hotel" or "motel" shall mean and include, but
11 not be limited to, hotels, motels, tourist homes, motel courts, bed-and-
12 breakfast establishments, short-term rentals, vacation rentals, airbnbs,
13 clubs or similar facilities, whether or not meals are served to guests
14 or residents thereof, and/or a location that is otherwise made available
15 for transient lodging accommodation for rent directly by the owner or
16 through an agent, operator or company. The rates of such tax shall not
17 exceed five and eight hundred seventy-five thousandths percent of the
18 per diem rental rate for each room, provided however, that such tax
19 shall not be applicable to a permanent resident of a hotel or motel.
20 For the purposes of this section, the term "permanent resident" shall
21 mean a person occupying any room or rooms in a hotel or motel for at
22 least thirty consecutive days.

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

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1 (2) Such tax may be collected and administered by the chief fiscal
2 officer of the city of Mount Vernon by such means and in such manner as
3 other taxes, which are now collected and administered by such officer,
4 or as otherwise may be provided by such local law.

5 (3) Such local laws may provide that any tax imposed shall be paid by
6 the person liable therefor to the owner of the hotel or motel room occu-
7 piated or to the person entitled to be paid the rent or charge for the
8 hotel or motel room occupied for and on account of the city of Mount
9 Vernon imposing the tax and that such owner or person entitled to be
10 paid the rent or charge shall be liable for the collection and payment
11 of the tax; and that such owner or person entitled to be paid the rent
12 or charge shall have the same right in respect to collecting the tax
13 from the person occupying the hotel or motel room, or in respect to
14 nonpayment of the tax by the person occupying the hotel or motel room,
15 as if the tax were a part of the rent or charge and payable at the same
16 time as the rent or charge; provided, however, that the chief fiscal
17 officer of the city, specified in such local law, shall be joined as a
18 party in any action or proceeding brought to collect the tax by the
19 owner or by the person entitled to be paid the rent or charge.

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

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

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

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

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

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

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

1 court shall approve to the effect that if such proceeding be dismissed
2 or the tax confirmed the petitioner will pay all costs and charges which
3 may accrue in the prosecution of such proceeding; or

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

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

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

29 (9) All revenues resulting from the imposition of the tax under the
30 local laws shall be paid into the treasury of the city of Mount Vernon
31 and shall be credited to and deposited in the general fund of the city.
32 Such revenues shall be retained to defer the expense of the city in
33 administering the tax pursuant to this section and the balance of such
34 revenues shall be used within the city of Mount Vernon as so determined
35 by the city of Mount Vernon city council.

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

40 (11) Each enactment of such local law may provide for the imposition
41 of a hotel or motel tax for a period of time no longer than three years
42 from the effective date of its enactment. Nothing in this section shall
43 prohibit the adoption and enactment of local laws, pursuant to the
44 provisions of this section, upon the expiration of any other local law
45 adopted pursuant to this section.

46 § 2. This act shall take effect immediately and shall apply to
47 contracts entered into on or after such date; provided, however, that
48 the provisions of this act shall expire and be deemed repealed December
49 31, 2028.