

STATE OF NEW YORK

7790

2025-2026 Regular Sessions

IN SENATE

May 6, 2025

Introduced by Sen. HARCKHAM -- 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 village of Croton-on-Hudson 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-zz-2 to
2 read as follows:

3 § 1202-zz-2. Hotel or motel taxes in the village of Croton-on-Hudson.
4 (1) Notwithstanding any other provisions of law to the contrary, the
5 village of Croton-on-Hudson, in the county of Westchester, is hereby
6 authorized and empowered to adopt and amend local laws imposing in such
7 village a tax, in addition to any other tax authorized and imposed
8 pursuant to this article such as the legislature has or would have the
9 power and authority to impose upon persons occupying hotel or motel
10 rooms in such village. For the purposes of this section the term
11 "hotel" or "motel" shall mean any facility or portion thereof where
12 single rooms or suites of rooms are rented or hired out to be occupied
13 or which are occupied by transient guests who are lodged overnight, with
14 or without meals, for sleeping purposes for compensation, whether the
15 compensation be paid directly or indirectly and shall include those
16 facilities designated and commonly known as "bed and breakfast" and
17 "tourist" facilities. The rates of such tax shall not exceed three
18 percent of the per diem rental rate for each room, provided however,
19 that such tax shall not be applicable to a permanent resident of a hotel
20 or motel. For the purposes of this section the term "permanent resident"
21 shall mean a person occupying any room or rooms in a hotel or motel for
22 at least ninety 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 village of Croton-on-Hudson by such means and in such
3 manner as other taxes which are now collected and administered by such
4 officer 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 pied 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 village of
9 Croton-on-Hudson imposing the tax and that such owner or person entitled
10 to be paid the rent or charge shall be liable for the collection and
11 payment of the tax; and that such owner or person entitled to be paid
12 the rent or charge shall have the same right in respect to collecting
13 the tax from the person occupying the hotel or motel room, or in respect
14 to nonpayment of the tax by the person occupying the hotel or motel
15 room, as if the tax were a part of the rent or charge and payable at the
16 same time as the rent or charge; provided, however, that the chief
17 fiscal officer of the village, specified in such local law, shall be
18 joined as a party in any action or proceeding brought to collect the tax
19 by the 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;

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 shareholder or individual and no substantial part
37 of the activities of which is carrying on propaganda, or otherwise
38 attempting to influence legislation; provided, however, that nothing in
39 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 hereunder
44 shall be reviewable for error, illegality or unconstitutionality or any
45 other reason whatsoever by a proceeding under article seventy-eight of
46 the civil practice law and rules if application therefor is made to the
47 supreme court within thirty days after the giving of the notice of such
48 final determination, provided, however, that any such proceeding under
49 article seventy-eight of the civil practice law and rules shall not be
50 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 shall be first
53 deposited and there is filed an undertaking, issued by a surety company
54 authorized to transact business in this state and approved by the super-
55 intendent of financial services of this state as to solvency and respon-
56 sibility, in such amount as a justice of the supreme court shall approve

1 to the effect that if such proceeding be dismissed or the tax confirmed
2 the petitioner will pay all costs and charges which may accrue in the
3 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 hereunder shall have been erroneously, ille-
11 gally or unconstitutionally collected and application for the refund
12 thereof duly made to the proper fiscal officer or officers, and such
13 officer or officers shall have made a determination denying such refund,
14 such determination shall be reviewable by a proceeding under article
15 seventy-eight of the civil practice law and rules, provided, however,
16 that such proceeding is instituted within thirty days after the giving
17 of the notice of such denial, that a final determination of tax due was
18 not previously made, and that an undertaking is filed with the proper
19 fiscal officer or officers in such amount and with such sureties as a
20 justice of the supreme court shall approve to the effect that if such
21 proceeding be dismissed or the tax confirmed, the petitioner will pay
22 all costs and charges which may accrue in the prosecution of such
23 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 village of Croton-on-
31 Hudson and shall be credited to and deposited in the general fund of the
32 village. Such revenues may be used for any lawful purpose.

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

37 § 2. This act shall take effect immediately and shall expire and be
38 deemed repealed 2 years after such date.