

STATE OF NEW YORK

7836

2025-2026 Regular Sessions

IN SENATE

May 9, 2025

Introduced by Sen. SKOUFIS -- 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 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.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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