

# Consideration of Implementing a Hotel Occupancy Tax

City of Auburn, New York

# What is Hotel Occupancy Tax?

A hotel occupancy tax is a tax placed on each nights' stay at a hotel, motel, or, Air B&B-style rental.

# Hotel Occupancy Tax at the County Level in New York State

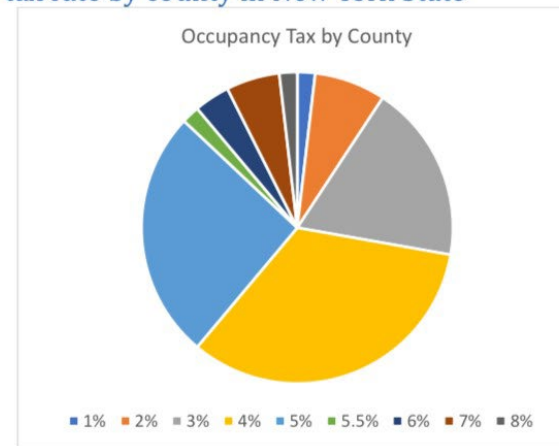


## Occupancy Tax Report

Created by: Cayuga County Convention and Visitors Bureau

The following is a report relating to the occupancy tax in New York State, specifically tracking the impact that occupancy tax increases may have on Cayuga County and individual municipalities that would consider implementing additional occupancy tax.

### Occupancy tax rate by county in New York State



The chart above reflects the current occupancy tax rate in 55 of the 63 counties in New York State. As the chart reflects, approximately 50% of these counties have an occupancy tax of 3% or 4%. Cayuga County's 5% occupancy tax is already a bit higher than 50% of the counties in the state. The highest occupancy tax rate is 8% in Richmond County which is in Staten Island. There's only one county in the state at that rate, and then a couple that are at 5.5%, 6% and 7%. These counties makeup about 20% of the highest occupancy taxes in the state. Another quarter is at 5%, which is where Cayuga County is currently at.

Above Data Provided by Cayuga County Office of Tourism

Cayuga County has had a hotel occupancy tax since the 1990's. This county tax has been 5% for several years and is collected by the County Treasurer. The tax revenue is used to fund the Cayuga County Convention and Visitors Bureau.

**Hotel occupancy taxes are becoming more common as alternatives to property tax to allow generation of revenue for municipalities.**

In 2023 Governor Hochul signed several home rule legislation request bills that allowed municipalities to implement their own hotel occupancy tax.

# Hotel Occupancy Tax rates for Cities in New York State (other than NYC)

City of Beacon	5%	2023
City of Canandaigua	3%	
City of Geneva	3%	
City of Hudson	4%	
City of Ithaca	5%	
City of New Rochelle	3%	
City of Newburgh	5%	2023
City of Peekskill	3%	
City of Port Jervis	3%	
City of Poughkeepsie	5%	2023
City of Rye	3%	
City of Saratoga Springs	5%	
City of White Plains	3%	
City of Niagara Falls	5%	

*Above data collected by City of Auburn City Clerk*

# Hotel Occupancy Tax rates for Towns in New York State

Town of Cornwall	5%	2023
Town of Dewitt	2%	2023
Town of Greenburgh	3%	
Town of Lockport	5%	
Town of Mount Pleasant	3%	
Town of Wallkill	5%	
Town of Woodbury	5%	
Town/Village of Goshen	5%	
Town/Village of Skaneateles	5%	2023

*Above data collected by City of Auburn City Clerk*

# Hotel Occupancy Tax rates for Villages in New York State

Village of Briarcliff Manor	3%	
Village of Cold Spring	5%	
Village of Harrison	3%	
Village of Mamaroneck	3%	
Village of Mount Kisco	3%	
Village of Nyack	3%	
Village of Port Chester	3%	
Village of Ryebrook	3%	
Village of Skaneateles	5%	2023
Village of Sleepy Hollow	3%	
Village of Tuckahoe	3%	
Village of Weedsport	7%	2023

*Above data collected by City of Auburn City Clerk*



## Total Hotel Occupancy Tax Rates for Cities/Villages close to Auburn

City of Ithaca: 5% City + 5% Tompkins County = 10%

City of Canandaigua: 3% City + 3% Ontario County = 6%

City of Geneva: 3% City + 3% Ontario County = 6%

Town/Village of Skaneateles: 5% Village + 7% Onondaga County = 12%

Village of Weedsport: 7% Village + 5% Cayuga County = 12%

*Above data collected by City of Auburn City Clerk*

# Cayuga County 5% Hotel Occupancy Tax Revenue collected in the City Auburn

## Hotel Tax Revenue (City of Auburn only)

Hotels	2022	2021	2020	2019	2018
1st qtr	\$ 54,187.72	\$ 62,863.28	\$ 42,208.09	\$ 44,948.85	\$ 47,118.41
2nd qtr	\$ 113,544.73	\$ 92,471.09	\$ 30,324.41	\$ 87,091.37	\$ 86,971.69
3rd qtr	\$ 178,576.30	\$ 144,862.13	\$ 91,101.77	\$ 139,390.20	\$ 133,141.37
4th qtr	\$ 106,197.50	\$ 88,109.65	\$ 79,046.84	\$ 79,795.96	\$ 80,235.40
<b>Hotel total</b>	\$ 452,506.25	\$ 388,306.15	\$ 242,681.11	\$ 351,226.38	\$ 347,466.87
Airbnb total	\$ 167,779.59	\$ 156,445.06	\$ 96,062.95	\$ 65,414.76	\$ 30,791.16
(whole County)					

*Above Data Collected by City of Auburn Comptroller,  
provided by the Cayuga County Treasurer's Office*

# What would a City of Auburn Hotel Occupancy Tax Generate for Revenue?

- Hotel annual estimated at \$452,000. + Airbnb estimated at \$48,000. = \$500,000. at 5%
- Every 1% of hotel occupancy tax = \$100,000 estimated in revenue

# How to Implement a City of Auburn Hotel Occupancy Tax?

- Requires NYS Legislature Home Rule Request Legislation.
- Process starts with a letter from the City asking our State Representatives to start the Home Rule Process
- State Senate and State Assembly will introduce Home Rule Request Bills
- Once State Bills are introduced, City Council Resolution of Support for those bills would be voted on by the City Council.
- By the end of the State Legislative session in June 2024, the State Senate and State Assembly would need to adopt the Home Rule Request Bills
- Summer/Fall 2024, Home Rule Request Bill would need to be signed into law by the Governor
- When all of the above is completed the City of Auburn City Council would need to adopt a Local Law to Establish a Hotel Occupancy Tax
- If all of the above can happen by November 2024, the City Hotel Occupancy Tax could take effect January 1, 2025.
- City Treasurer would register local hotels in December 2024 and collect payments quarterly.
- First quarter payments from hotels would be due in April 2025.

✓ Next Steps

Questions 