

Governor Approves Legislation Authorizing the Cities of New Rochelle, Rye, and White Plains to Raise Revenues through Hotel Occupancy Taxes

SUZI OPPENHEIMER August 3, 2009

Senator Suzi Oppenheimer (D-Mamaroneck) announced that legislation to authorize the cities of New Rochelle and White Plains to impose hotel room occupancy taxes was passed by the Senate and signed into law by Governor Paterson. The Governor also approved legislation extending the City of Rye's authority to impose its own hotel occupancy tax.

S. 1886 (Oppenheimer), S. 1887 (Oppenheimer) and S. 1087 (Oppenheimer) permit the cities of New Rochelle, Rye and White Plains, respectively, to enact a daily room tax of up to three percent on hotels, motels, inns, clubs or similar places of public accommodation.

"Three years ago, I sponsored legislation allowing the city of Rye to impose a hotel occupancy tax," said Senator Oppenheimer. "Rye became first the local government in Westchester County to gain this authority, which has become an important revenue-raising alternative to local property taxes."

The City of New Rochelle estimates that it will raise between \$200,000 and \$250,000 in new revenue from the hotel room tax, while the City of Rye stands to collect over \$170,000 by the

extension of its taxing authority.

"In these difficult economic times, municipal governments all over the state have been faced with declining revenues, most notably reductions in sales tax revenues," observed Senator Oppenheimer. "Local governments must be given greater flexibility to raise revenue other than by increasing already high property taxes. I am pleased that the Governor has enacted these tax bills into law, and I favor expanding this taxing authority to other cities and smaller municipalities that request it," said the Senator.