City of Mount Vernon, NY

Hotel Room Occupancy Tax Policy

Section 1: Title and Purpose

This policy shall be known as the "Hotel Room Occupancy Tax Policy" for the City of Mount Vernon, NY (“City”). The purpose of this policy is to impose a tax on the occupancy of hotel rooms and other short-term rentals (commonly known as AirBnB/VBRO or vacation rentals) within the City to generate revenue for the support of municipal services and infrastructure improvements.

Section 2: Definitions

For the purposes of this policy, the following terms shall have the meanings indicated:

- Hotel: Any building or portion of a building which is regularly used and kept open for the lodging of guests. The term "hotel" includes, but is not limited to, an inn, motel, tourist home or house, hostel, public lodging house, vacation rental, short-term rental, rooming house and bed-and-breakfast.

- Occupancy: The use or possession, or the right to the use or possession, of any room or rooms in a hotel for any purpose, or the right to the use or possession of the furnishings or to the services and accommodations accompanying the use and possession of the room or rooms.

- Occupant: A person who, for a consideration, uses, possesses, or has the right to use or possess any room or rooms in a hotel under any lease, concession, permit, right of access, license to use, or other agreement.

- Permanent Resident: Any occupant who, as of a given date, has occupied or has the right to occupy any room or rooms in a hotel for at least ninety consecutive days.

- Rent: The consideration received for occupancy valued in money, whether received in money or otherwise, including all receipts, cash, credits, and property or services of any kind or nature, and also any amount for which credit is allowed by the operator to the occupant, without any deduction therefrom whatsoever.

- Operator: Any person operating a hotel in Mount Vernon, including but not limited to the owner, lessee, sub-lessee, mortgagee in possession, licensee, or any other person otherwise operating such hotel.

Section 3: Imposition of Tax

There is hereby imposed and levied a tax upon the rent for every occupancy of a room or rooms in a hotel in the City of Mount Vernon, NY. The tax rate shall be three percent (5.875%)** of the rent for each such occupancy.

Section 4: Collection and Administration

- The operator of each hotel shall be responsible for the collection of the occupancy tax from the occupant.

- The tax shall be paid by the occupant to the operator of the hotel at the time the rent is paid.

- The operator shall file a return with the City of Mount Vernon Finance Department, detailing the total rents received and the taxes collected for each quarterly period.

- The return shall be filed, and the tax due shall be paid, on or before the ____ day of the month following the end of each quarterly period.

Section 5: Records and Audits

- Every operator shall keep and maintain records of every occupancy, of all rent paid, and of all occupancy taxes collected, for a period of five (5) years.

- The City of Mount Vernon Finance Department shall have the authority to inspect and audit the records of any operator at any reasonable time.

Section 6: Penalties and Interest

- Any operator who fails to file a return or to pay the tax collected shall be subject to penalties and interest as prescribed by the City of Mount Vernon.

- Penalties shall not exceed ___ percent (__%) of the tax due for each month of delay, not to exceed a total of _____ percent (___%) of the tax due.

- Interest shall be charged at the rate of ___ percent (_%) per month from the due date until the tax is paid.

Section 7: Refunds

- Any tax paid under this policy that was erroneously, illegally, or unconstitutionally collected shall be refunded by the City of Mount Vernon.

- Claims for refunds must be filed with the City of Mount Vernon Finance Department within one (1) year from the date the tax was paid.

Section 9: Effective Date

This policy shall take effect on [Effective Date] and shall apply to all occupancies on or after that date.

Section 10: Severability

If any provision of this policy is held invalid, the remainder of the policy shall not be affected thereby and shall remain in full force and effect.

This Hotel Room Occupancy Tax Policy is adopted by the City Council of Mount Vernon, NY, on [Adoption Date].

This draft policy incorporates elements from the hotel occupancy tax policies of White Plains, NY, Yonkers, NY, and New Rochelle, NY, ensuring consistency and clarity in its application and enforcement.

*Effective August 2024, Yonkers, NY increased the occupancy tax to 5.875% from 3%. New Rochelle, NY and While Plains, NY impose 3%.