Resolution No. 297 August 9, 2006

Requesting The New York State Legislature And The Governor To Amend Section 1202-I, Hotel And Motel Taxes In Ulster County To Permit The County Of Ulster To Amend Its Local Law To Impose An Additional [Three] Two Percent For A Period Of Three Years

The Budget Gap Committee (Co-Chairmen County Administrator Hein and Legislator Gregorius and Legislators Bartels, Lomita, Provenzano, Aiello, Fabiano and Harris) and the Ways and Means Committee (Chairman Lomita and Legislators Bartels, Berardi, Gregorius, Provenzano, Zimet, Cummings, Gerentine and Noonan) offer the following:

WHEREAS, the New York State Legislature previously authorized the County of Ulster to impose a hotel and motel room occupancy tax not to exceed two percent of the per diem rental rate as set forth in Tax Law Section 1202-l, Hotel and motel taxes in Ulster County, and

WHEREAS, increases in the costs of the services required to be provided make it necessary for Ulster County to acquire additional revenue for these services in order to partially avoid increases in property taxes, and

WHEREAS, the real property tax in Ulster County bears little relationship to one's ability to pay, penalizes the elderly, the retired, the unemployed, the widowed and the person who chooses to invest in his/her own home, and

WHEREAS, it is therefore necessary to increase the two percent of the per diem rental rate, as set forth in Tax Law Section 1202-1, to [five] four percent of the per diem rental rate, and

WHEREAS, the current state legislation provides that a portion of the two percent revenues resulting from the imposition of the tax, specifically ten percent, or no less than one hundred fifty thousand dollars, which ever is greater, of the revenues generated annually from the per diem rental rate be credited to and deposited in a special tourism and convention fund, with the remaining revenues credited to and deposited in the general fund of the County, and

WHEREAS, it would be in the best interests of the County of Ulster that all revenues resulting from the additional [three] two percent of the per diem rental rate sought herein be credited to and deposited in the general fund of the County of Ulster, and

WHEREAS, the Budget Gap Committee has met and reviewed said request with a majority of the members voting approval, and

WHEREAS, the Ways and Means Committee has met and reviewed said request with a majority of the members voting approval.

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RESOLVED, that the County of Ulster hereby requests the New York State Legislature to approve legislation amending Tax Law Section 1202-l, Hotel and motel taxes in Ulster County, to authorize and empower the County of Ulster to change its hotel and motel room occupancy tax as more specifically set forth below, and

FURTHER RESOLVED, that the first sentence of the third paragraph in Section 1202-1 (1) be amended so as to reflect the following:

"The rates of such tax shall not exceed **[five]** four per cent of the per diem rental rate for each room, provided, however, such tax shall not be applicable to a permanent resident of such hotel or motel.", and

FURTHER RESOLVED, that the first sentence of Section 1202-1 (9) be amended so as to reflect the following:

"All revenues resulting from the imposition of the tax authorized by this section shall be paid into the treasury of the County of Ulster and shall be credited to and deposited in the general fund of the county; and the local law shall provide that ten percent, or no less than one hundred fifty thousand dollars, whichever is greater, of two percent of the revenues generated annually shall be credited to and deposited in a special tourism and convention fund and the collections therefrom shall thereafter be allocated by the county legislature of Ulster County only for tourism and convention promotion and development.", and

FURTHER RESOLVED, that a section be added to the state legislation to reflect the following:

"Each enactment of a local law may provide for the imposition of a hotel or motel tax for a period of time no longer than three years from the date of its enactment.", and

FURTHER RESOLVED, that the Chairman of the Ulster County Legislature is hereby authorized to execute and submit a home rule request in accordance with this resolution to Governor George E. Pataki, Senate Majority Leader Joseph Bruno, Senate Minority Leader David A. Paterson, Assembly Speaker Sheldon Silver, Assembly Majority Leader Paul A. Tokasz, Assembly Minority Leader James N. Tedisco, New York State Senators John J. Bonacic and William J. Larkin, Jr., New

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York State Assemblymen Kevin A. Cahill, Clifford W. Crouch, Daniel L. Hooker and Thomas Kirwan,

and move its adoption.

ADOPTED AS AMENDED BY THE FOLLOWING VOTE:

AYES: 18 NOES: 13

(NOES: Legislators Alfonso, Bartels, Busick, Cummings, Gerentine, Harris, Kraft, McAfee, Noonan, R. A. Parete,

Shapiro, Terpening and Zimet)

(1 Abstention: Legislator R. S. Parete)

(Absent: Legislator Felicello)

Legislator Cummings motioned, seconded by Legislator Sheeley to make a friendly amendment to the resolution setting a cap of \$5.00 (Five Dollars) per night on the tax.

MOTION DEFEATED BY THE FOLLOWING VOTE:

AYES: 9 NOES: 22

(AYES: Legislators Alfonso, Busick, Cummings, Gerentine, Harris, Noonan, R.A. Parete, Roberti and

Sheeley)

(1 Abstention: Legislator R.S. Parete)

(Absent: Legislator Felicello)

Legislator Stoeckeler motioned, seconded by Legislator Rodriguez to amend the resolution as follows: change the "Three" to "Two" in the "TITLE", the **five per cent** in the 4th "WHEREAS" and the 1st "FURTHER RESOLVED" to **four per cent**, and the "three" in the 6th "WHEREAS" to "two" as indicated in [] and double strikethroughs.

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MOTION ADOPTED BY THE FOLLOWING VOTE:

AYES: 29 NOES: 2

(NOES: Legislator McAfee and Shapiro) (1 Abstention: Legislator R.S. Parete)

(Absent: Legislator Felicello)

FINANCIAL IMPACT: \$1,500,000.00 – ADDITIONAL REVENUE

0830

NOTE: Bold type denotes the proposed changes in the state legislation.