
**THE CITY OF NEW YORK
DEPARTMENT OF FINANCE
DIVISION OF TAX POLICY & DATA ANALYTICS**

**STATISTICAL PROFILE OF THE
NEW YORK CITY
HOTEL ROOM OCCUPANCY TAX**

TAX YEAR 2024

ERIC ADAMS, MAYOR

PRESTON NIBLACK, COMMISSIONER

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**REPORT PREPARED BY THE
DIVISION OF TAX POLICY & DATA ANALYTICS
JULY 2025**

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Introduction

Applicability

The Hotel Room Occupancy Tax must be paid on the occupancy, or the right of occupancy, of a room or rooms in a hotel. A “hotel” is a building or part of it that is regularly used for the lodging of guests, and includes an apartment hotel, a motel, boardinghouse, bed-and-breakfast, bungalow, or club, whether or not meals are served. The occupant of any room or rooms in a hotel must pay the tax. Hotel operators and remarketers (when a room has been rented through a reseller) collect the tax from the occupant. The Hotel Room Occupancy Tax is separate from the NYC Sales Tax on hotel room occupancy and is charged in addition to the Sales Tax.

A facility is not considered a hotel if, during any four consecutive tax quarters or any twelve-month period ending on the last day of February, rooms are rented on fewer than three occasions or for not more than 14 days in the aggregate. Rentals to permanent residents (residents who occupy a room for at least 180 consecutive days) are not taxable. Moreover, not-for-profit organizations formed and operated exclusively for religious, charitable, or educational purposes, or for the prevention of cruelty to children or animals, and government agencies and other organizations not subject to the sales tax on hotel room rentals are exempt from the Hotel Room Occupancy Tax.

The Hotel Room Occupancy Tax year starts on March 1 and ends on the last day of February of the following year.

Tax Rate and Liability

The Hotel Room Occupancy Tax is based on the rent charged for the room, as follows:

If the rent for the room is...	The tax will be...
\$10 or more, but less than \$20	50¢ per day + 5.875% of the rent for the room
\$20 or more, but less than \$30	\$1.00 per day + 5.875% of the rent for the room
\$30 or more, but less than \$40	\$1.50 per day + 5.875% of the rent for the room
\$40 or more	\$2.00 per day + 5.875% of the rent for the room

In the case of hotel suites, the tax is the fixed amount shown above for each room in the suite plus 5.875 percent of the rent for the suite.

History

The rationale for the Hotel Room Occupancy Tax, first imposed in NYC in 1970, is that visitors should help pay the cost of basic services and tourism development initiatives that benefit them while here.

In 1970, the tax consisted of a flat fee based upon the daily rental value of the room. A 5.0 percent tax was imposed in addition to the flat fee in 1986; this tax was raised to 6.0 percent in 1990, then lowered to 5.0 percent in 1994, and increased to the current 5.875 percent in 2009. Also, in 2009, the tax was extended to apply to the markup on rooms rented through the internet and other hotel room occupancy resellers.

In 2015, local legislation adopted by the City Council extended the 5.875 percent rate through November 30, 2019. On November 27, 2019, the 5.875 percent rate was extended through November 30, 2023 and on November 17, 2023 it was extended another four years, to November 30, 2027.

Effective June 1, 2016, the application of the state and local sales tax and the city Hotel Room Occupancy Tax to remarketed hotel rooms was simplified by exempting from these taxes the rent paid by a room remarketer to the hotel operator. Hotel room occupants are taxed on the total rent they pay to a room remarketer. Formerly, a room remarketer was taxed on the rent it paid for the room to the hotel operator but was eligible for a credit or refund of the tax paid if certain conditions were met. As a result of the change in the law, room remarketers are no longer required to pay tax on the rooms they rent from the hotel operator.

On May 18, 2021, then-Mayor Bill de Blasio signed an executive order that eliminated the 5.875 percent portion of New York City's Hotel Room Occupancy Tax rate for the three-month period from June 1 to August 31, 2021. The purpose of this measure was to help tourism recover from the COVID-19 pandemic.

NYC Hotel Room Occupancy Tax Rates	
07/08/86 - 08/31/90	5.000%
09/01/90 - 11/30/94	6.000%
12/01/94 - 02/28/09	5.000%
03/01/09 - 11/30/13	5.875%
12/01/13 - 12/19/13	5.000%
12/20/13 - 05/31/21	5.875%
06/01/21 - 08/31/21	0.000%
09/01/21 - present	5.875%

**HOTEL ROOM OCCUPANCY TAX
TAX YEAR 2024**

**Table 1
DISTRIBUTION BY LIABILITY RANGE**
(NUMBER OF ROOMS RENTED AND DOLLARS IN THOUSANDS)

Liability Per Taxpayer	Number of Hotels	% of Total	Number of Rooms Rented	% of Total	Total Rent	% of Total	Liability			
							Daily Room Tax	Additional 5.875% Tax Due	Total	% of Total
Under \$10K	82	9.9 %	26	0.1 %	\$3,756	0.0 %	\$49	\$221	\$270	0.0 %
\$10K - \$25K	41	4.9	53	0.1	8,963	0.1	106	527	632	0.1
\$25K - \$50K	41	4.9	146	0.4	20,784	0.2	292	1,221	1,513	0.2
\$50K - \$100K	56	6.7	425	1.1	59,555	0.5	849	3,499	4,348	0.6
\$100K - \$200K	94	11.3	1,232	3.2	185,988	1.6	2,463	10,927	13,390	1.7
\$200K - \$300K	58	7.0	1,131	2.9	205,156	1.7	2,252	12,053	14,305	1.9
\$300K - \$400K	37	4.4	869	2.2	187,599	1.6	1,738	11,021	12,759	1.7
\$400K - \$500K	36	4.3	1,000	2.6	238,954	2.0	2,000	14,039	16,038	2.1
\$500K - \$1M	144	17.3	5,712	14.8	1,576,016	13.4	11,423	92,591	104,014	13.5
\$1M - \$1.5M	73	8.8	4,601	11.9	1,350,616	11.5	9,202	79,349	88,551	11.5
\$1.5M - \$2M	52	6.3	4,324	11.2	1,394,131	11.8	8,647	81,905	90,553	11.8
\$2M - \$2.5M	22	2.6	2,453	6.3	751,192	6.4	4,906	44,133	49,038	6.4
\$2.5M or More	67	8.1	10,146	26.3	3,990,859	33.9	20,288	234,463	254,751	33.1
Remarketers	29	3.5	6,531	16.9	1,803,567	15.3	13,061	105,961	119,022	15.5
TOTAL	832	100.0 %	38,647	100.0 %	\$11,777,136	100.0 %	\$77,275	\$691,908	\$769,184	100.0 %

**HOTEL ROOM OCCUPANCY TAX
TAX YEAR 2024**

**Table 2
DISTRIBUTION BY BOROUGH**
(NUMBER OF ROOMS RENTED AND DOLLARS IN THOUSANDS)

Borough	Number of Hotels	% of Total	Number of Rooms Rented	% of Total	Total Rent	% of Total	Liability			
							Daily Room Tax	Additional 5.875% Tax Due	Total	% of Total
Manhattan	553	66.5 %	27,264	70.5 %	\$8,951,187	76.0 %	\$54,519	\$525,882	\$580,401	75.5 %
Bronx	33	4.0	398	1.0	46,204	0.4	787	2,714	3,502	0.5
Brooklyn	91	10.9	1,676	4.3	417,439	3.5	3,352	24,525	27,877	3.6
Queens	115	13.8	2,580	6.7	518,661	4.4	5,159	30,471	35,631	4.6
Staten Island/Other	11	1.3	198	0.5	40,078	0.3	396	2,355	2,751	0.4
Remarketers	29	3.5	6,531	16.9	1,803,567	15.3	13,061	105,961	119,022	15.5
TOTAL	832	100.0 %	38,647	100.0 %	\$11,777,136	100.0 %	\$77,275	\$691,908	\$769,184	100.0 %

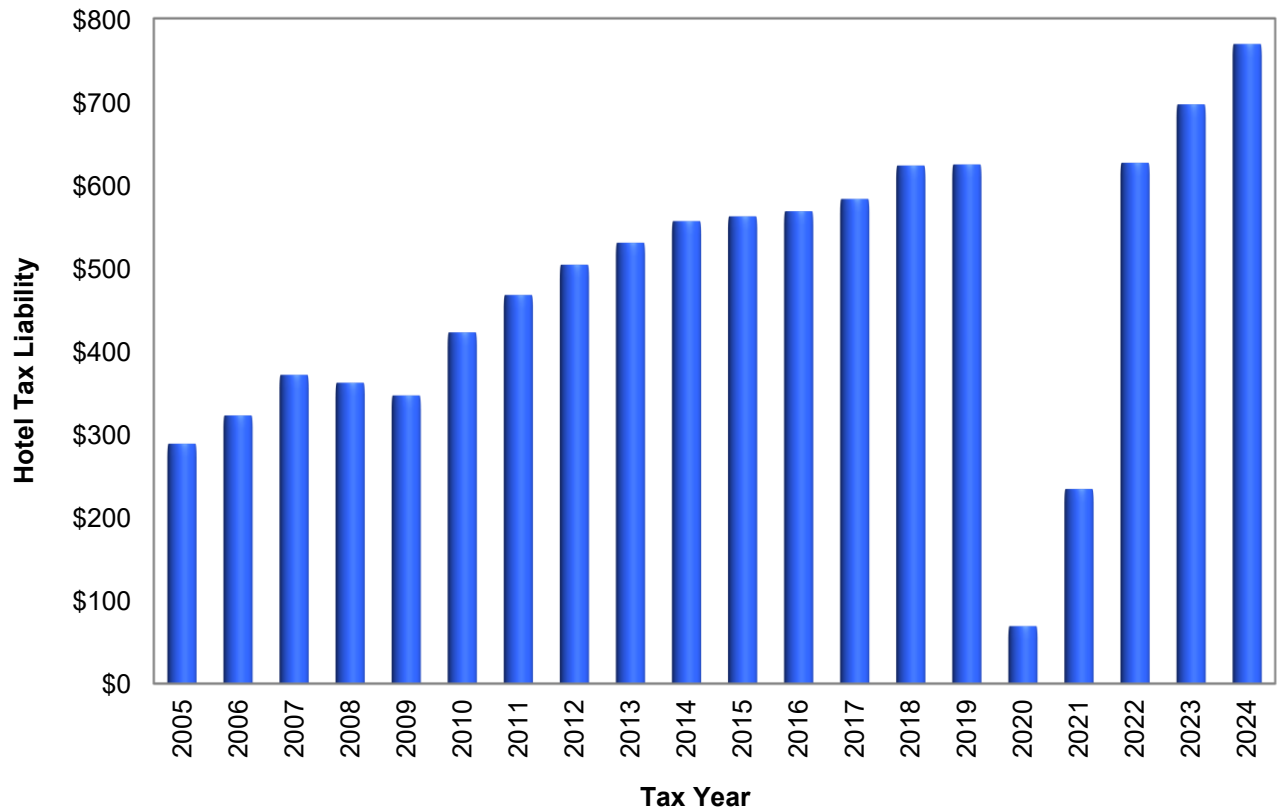
**HOTEL ROOM OCCUPANCY TAX
TAX YEAR 2024**

**Table 3
DISTRIBUTION BY AVERAGE DAILY ROOM RENT
(NUMBER OF ROOMS RENTED AND DOLLARS IN THOUSANDS)**

Average Daily Room Rent	Number of Hotels	% of Total	Number of Rooms Rented	% of Total	Total Rent	% of Total	Liability			
							Daily Room Tax	Additional 5.875% Tax Due	Total	% of Total
Under \$50 or Unavailable	11	1.3 %	92	0.2 %	\$4,343	0.0 %	\$181	\$255	\$436	0.1 %
\$50 - \$100	78	9.4	1,192	3.1	94,577	0.8	2,373	5,556	\$7,929	1.0
\$100 - \$150	95	11.4	2,283	5.9	281,667	2.4	4,566	16,548	21,114	2.7
\$150 - \$200	110	13.2	2,758	7.1	488,910	4.2	5,516	28,723	34,240	4.5
\$200 - \$250	122	14.7	4,982	12.9	1,132,288	9.6	9,963	66,522	76,485	9.9
\$250 - \$300	121	14.5	6,473	16.7	1,794,422	15.2	12,946	105,422	118,369	15.4
\$300 - \$350	89	10.7	6,024	15.6	1,946,205	16.5	12,047	114,340	126,387	16.4
\$350 - \$500	100	12.0	5,775	14.9	2,323,868	19.7	11,549	136,527	148,077	19.3
\$500 - \$700	28	3.4	1,367	3.5	766,597	6.5	2,733	45,038	47,771	6.2
More than \$700	49	5.9	1,172	3.0	1,140,693	9.7	2,340	67,016	69,355	9.0
Remarketers	29	3.5	6,531	16.9	1,803,567	15.3	13,061	105,961	119,022	15.5
TOTAL	832	100.0 %	38,647	100.0 %	\$11,777,136	100.0 %	\$77,275	\$691,908	\$769,184	100.0 %

HOTEL ROOM OCCUPANCY TAX

Figure 1
TOTAL LIABILITY
TAX YEARS 2005 – 2024
(\$ MILLIONS)

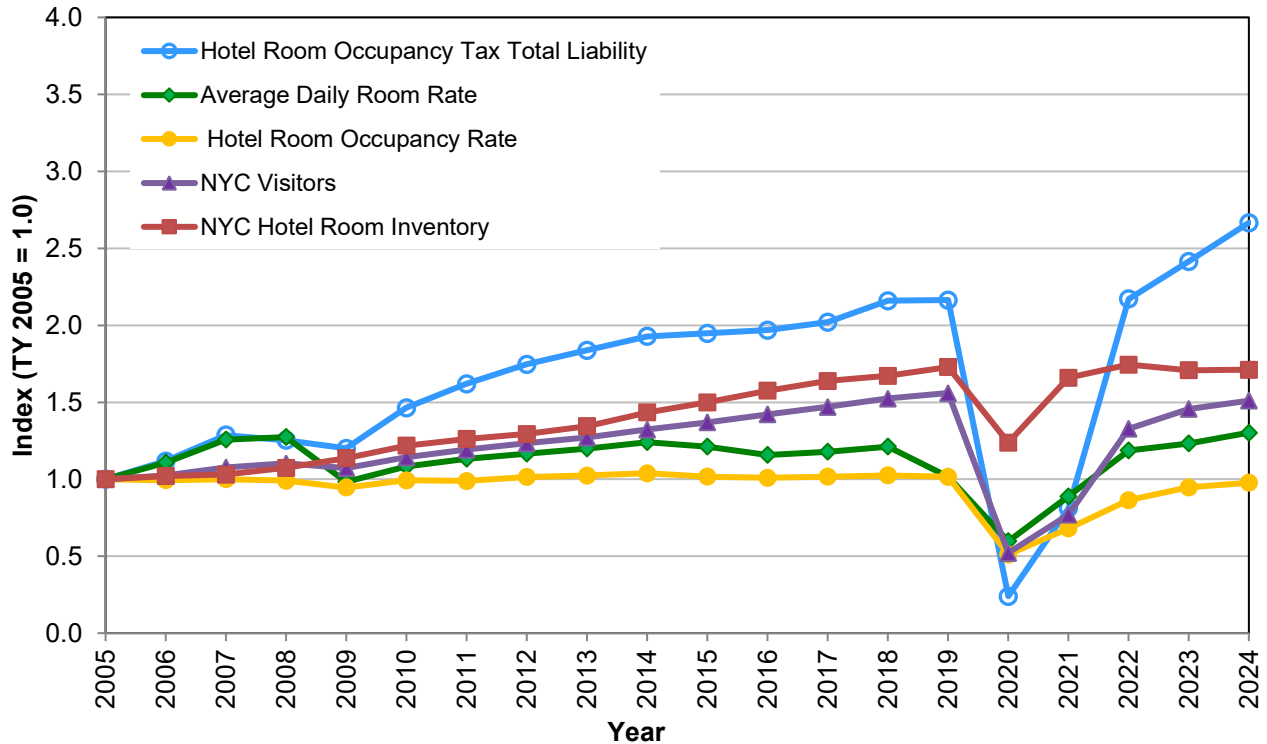


Note: The additional tax due increased from 5.0 percent to 5.875 percent on March 1, 2009 and was temporarily reduced to 0 percent from June 1, 2021 to August 31, 2021.

HOTEL ROOM OCCUPANCY TAX

Figure 2
TOTAL LIABILITY COMPARED TO NYC VISITORS,
AVERAGE DAILY ROOM RENT, ROOM INVENTORY, AND OCCUPANCY RATE
2005 – 2024

- In 2024, Hotel Room Occupancy Tax liability was the highest to date; growth outpaced key tourism indicators. Average daily room rate surpassed 2019 (pre-pandemic) levels by 28 percent.



Notes:

Liability is shown based on the Hotel Room Occupancy Tax year, which starts March 1 and ends the last day of February of the following year. For example, tax year 2024 started on March 1, 2023 and ended February 28, 2024. Tourism indicators are shown based on the calendar year.

The additional tax due increased from 5.0 percent to 5.875 percent on March 1, 2009 and was temporarily reduced to 0 percent from June 1, 2021 to August 31, 2021.

The 2019 average daily room rate was updated in this report per NYC Tourism + Conventions.

Sources:

Hotel Room Occupancy Tax liability is from NYC Department of Finance records. All other data are from New York City Tourism + Conventions.