

---

**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 2022**

---

**ERIC ADAMS, MAYOR**

**PRESTON NIBLACK, COMMISSIONER**

---





---

**STATISTICAL PROFILE OF THE  
NEW YORK CITY  
HOTEL ROOM OCCUPANCY TAX  
TAX YEAR 2022**

---



**ERIC ADAMS  
MAYOR**

**PRESTON NIBLACK  
COMMISSIONER**

**REPORT PREPARED BY THE  
DIVISION OF TAX POLICY & DATA ANALYTICS  
JULY 2023**



**Table of Contents**

**Introduction** ..... 1

Table 1: Distribution by Liability Range ..... 3

Table 2: Distribution by Borough ..... 4

Table 3: Distribution by Average Daily Room Rent ..... 5

Figure 1: Liability, Tax Years 2003 – 2022 ..... 6

Figure 2: Liability Compared to NYC Visitors, Average Daily Room Rent,  
Room Inventory and Occupancy Rate, Tax Years 2003 – 2022 ..... 7

# 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, raised to 6.0 percent in 1990, then lowered to 5.0 percent in 1994 and raised to the current 5.875 percent in 2009. Also, in 2009, the tax was extended to apply to the markup on rooms rented through 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. Unless extended at that time, the rate would revert to 5 percent on December 1, 2023.

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.

<b>NYC Hotel Room Occupancy Tax Rates</b>	
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 2022**

**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				Liability			
			% of Total	Total Rent	% of Total	Daily Room Tax	Additional Tax Due	Total	% of Total	
<b>Under \$10K</b>	114	12.4 %	36	0.1 %	\$4,606	0.0 %	\$66	\$271	\$337	0.1 %
<b>\$10K - \$25K</b>	38	4.1	57	0.2	8,973	0.1	113	527	640	0.1
<b>\$25K - \$50K</b>	48	5.2	229	0.6	24,530	0.3	451	1,441	1,892	0.3
<b>\$50K - \$100K</b>	103	11.2	913	2.5	103,295	1.1	1,816	6,069	7,884	1.3
<b>\$100K - \$200K</b>	119	12.9	1,632	4.4	233,529	2.5	3,248	13,720	16,968	2.7
<b>\$200K - \$300K</b>	75	8.2	1,521	4.1	264,967	2.8	3,033	15,567	18,600	3.0
<b>\$300K - \$400K</b>	45	4.9	1,190	3.2	231,462	2.5	2,380	13,598	15,978	2.6
<b>\$400K - \$500K</b>	32	3.5	943	2.6	213,218	2.3	1,886	12,527	14,412	2.3
<b>\$500K - \$1M</b>	147	16.0	6,383	17.4	1,542,190	16.4	12,765	90,604	103,369	16.5
<b>\$1M - \$1.5M</b>	66	7.2	4,596	12.5	1,218,828	13.0	9,192	71,612	80,805	12.9
<b>\$1.5M - \$2M</b>	35	3.8	3,046	8.3	948,568	10.1	6,091	55,728	61,820	9.9
<b>\$2M - \$2.5M</b>	25	2.7	2,704	7.4	864,256	9.2	5,408	50,775	56,183	9.0
<b>\$2.5M or More</b>	43	4.7	7,296	19.8	2,480,129	26.4	14,591	145,708	160,299	25.6
<b>Remarketers</b>	29	3.2	6,237	17.0	1,269,911	13.5	12,474	74,654	87,128	13.9
<b>TOTAL</b>	<b>919</b>	<b>100.0 %</b>	<b>36,781</b>	<b>100.0 %</b>	<b>\$9,408,460</b>	<b>100.0 %</b>	<b>\$73,515</b>	<b>\$552,800</b>	<b>\$626,315</b>	<b>100.0 %</b>

**HOTEL ROOM OCCUPANCY TAX  
TAX YEAR 2022**

**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 Tax Due	Total	% of Total
<b>Manhattan</b>	578	62.9 %	25,184	68.5 %	\$7,223,575	76.8 %	\$50,354	\$424,392	\$474,745	75.8 %
<b>Bronx</b>	43	4.7	496	1.3	52,428	0.6	961	3,080	4,042	0.6
<b>Brooklyn</b>	112	12.2	1,767	4.8	370,751	3.9	3,533	21,782	25,315	4.0
<b>Queens</b>	141	15.3	2,931	8.0	468,580	5.0	5,859	27,529	33,388	5.3
<b>Staten Island/Other</b>	16	1.7	166	0.5	23,215	0.2	333	1,364	1,697	0.3
<b>Remarketers</b>	29	3.2	6,237	17.0	1,269,911	13.5	12,474	74,654	87,128	13.9
<b>TOTAL</b>	<b>919</b>	<b>100.0 %</b>	<b>36,781</b>	<b>100.0 %</b>	<b>\$9,408,460</b>	<b>100.0 %</b>	<b>\$73,515</b>	<b>\$552,800</b>	<b>\$626,315</b>	<b>100.0 %</b>

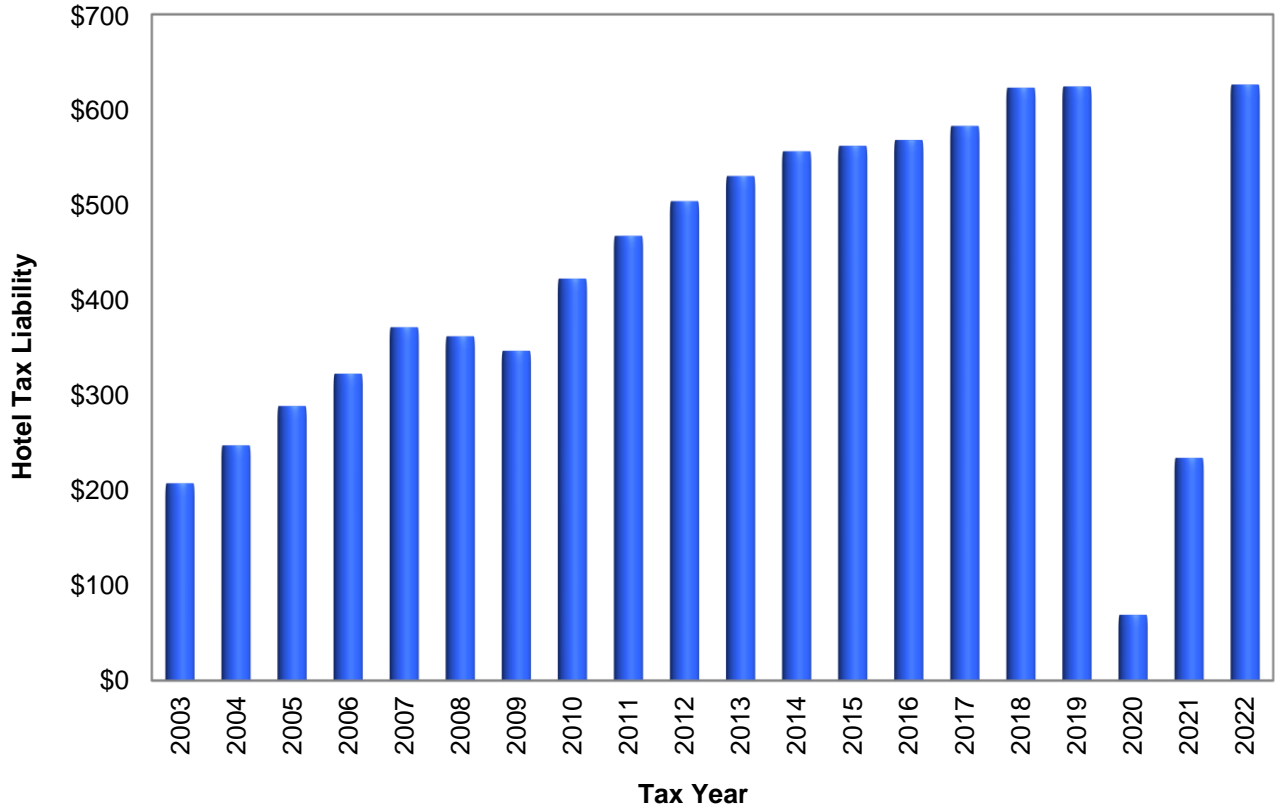
**HOTEL ROOM OCCUPANCY TAX  
TAX YEAR 2022**

**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 Tax Due	Total	% of Total
<b>Under \$50 or Unavailable</b>	22	2.4 %	204	0.6 %	\$8,625	0.1 %	\$373	\$507	\$880	0.1 %
<b>\$50 - \$100</b>	113	12.3	2,089	5.7	151,696	1.6	4,167	8,912	\$13,079	2.1
<b>\$100 - \$150</b>	164	17.8	2,862	7.8	356,285	3.8	5,724	20,932	26,656	4.3
<b>\$150 - \$200</b>	158	17.2	4,729	12.9	844,834	9.0	9,458	49,634	59,092	9.4
<b>\$200 - \$250</b>	145	15.8	6,597	17.9	1,473,919	15.7	13,194	86,593	99,787	15.9
<b>\$250 - \$300</b>	87	9.5	4,926	13.4	1,342,348	14.3	9,851	78,863	88,714	14.2
<b>\$300 - \$350</b>	68	7.4	3,899	10.6	1,271,014	13.5	7,797	74,672	82,469	13.2
<b>\$350 - \$500</b>	75	8.2	3,615	9.8	1,454,981	15.5	7,229	85,480	92,709	14.8
<b>\$500 - \$700</b>	25	2.7	790	2.1	453,238	4.8	1,581	26,634	28,215	4.5
<b>More than \$700</b>	33	3.6	833	2.3	781,609	8.3	1,666	45,920	47,585	7.6
<b>Remarketers</b>	29	3.2	6,237	17.0	1,269,911	13.5	12,474	74,654	87,128	13.9
<b>TOTAL</b>	<b>919</b>	<b>100.0 %</b>	<b>36,781</b>	<b>100.0 %</b>	<b>\$9,408,460</b>	<b>100.0 %</b>	<b>\$73,515</b>	<b>\$552,800</b>	<b>\$626,315</b>	<b>100.0 %</b>

## HOTEL ROOM OCCUPANCY TAX

**Figure 1**  
**LIABILITY**  
**TAX YEARS 2003 – 2022**  
(\$ MILLIONS)

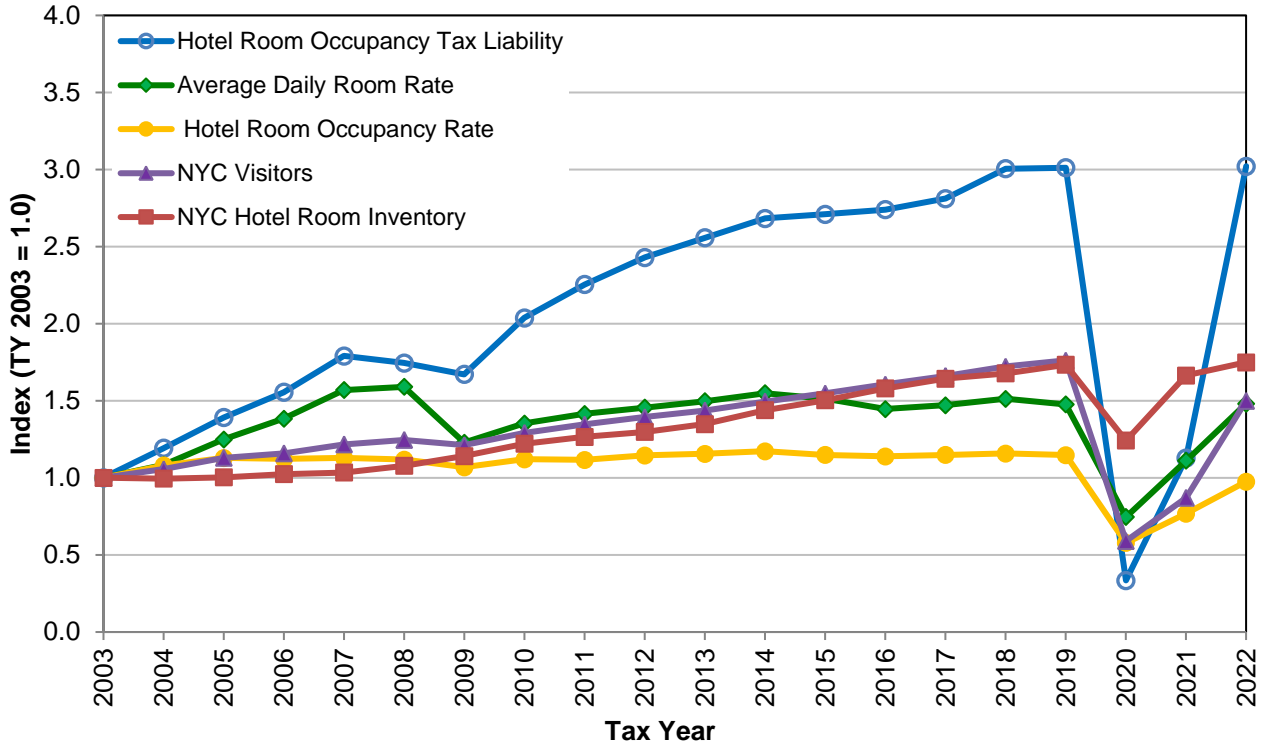


**Note:** The additional tax due increased from 5.0 percent to 5.875 percent on March 1, 2009 and was temporarily reduced to 0 percent from June 1, 2021 to August 31, 2021.

## HOTEL ROOM OCCUPANCY TAX

**Figure 2**  
**LIABILITY COMPARED TO NYC VISITORS,**  
**AVERAGE DAILY ROOM RENT, ROOM INVENTORY, AND OCCUPANCY RATE**  
**TAX YEARS 2003 – 2022**

- Hotel Room Occupancy Tax liability recuperated from pandemic-related losses incurred in the prior two years.



**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.

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