



Hotel Services

Introduction

Hotels and motels (hotels) often offer many different services in addition to providing occupancy. This bulletin discusses the taxable and nontaxable services that hotels and motels commonly offer. For more information on the taxability of hotel occupancy, see [Publication 848](#), *A Guide to Sales Tax for Hotel and Motel Operators*.

Taxable sales and services

Sale or service	Description
Safe deposit box rental	A hotel's charge to its guest to store items in a safe deposit box, whether it's located in the guest's room or elsewhere in the hotel (e.g., a vault in the manager's office).
Check room for coats, hats, luggage, etc.	Any charge to check a guest's coat, luggage, or packages, etc. Optional tips or gratuities given to the employees working in the storage areas are not taxable. See Gratuities and tips under <i>Nontaxable sales and services</i> below.
Television and in-room movies	Any charge by a hotel to its guest for television, pay-per-view movies, video games, or optional programming. It's treated as part of the charge for hotel occupancy even if listed separately on the bill or receipt.
Fax service	A hotel's charge to send or receive a fax. If the fax transmission is intrastate, meaning the call that sends the fax both begins and ends in New York State, the charge is taxable. However, if the fax transmission is interstate or international, meaning the call either begins or ends outside of New York State, the charge is not taxable.
Copy services	A hotel's charge to make copies for a guest. However, if a guest uses a coin-operated copy machine that charges 50 cents or less per copy, the charges are not taxable.
Telephone service	A hotel's charges for providing telephone equipment and in-house calls, such as calling room to room. Per-call charges by a hotel for local or intrastate telephone service are taxable. However, per-call charges for interstate or international telephone service are not taxable.

Sale or service	Description
Room service	A hotel's service or delivery charge added to a bill for room service. Optional tips and gratuities are not taxable. See Gratuities and tips under <i>Nontaxable sales and services</i> below.
Rental of recreation equipment or other items	A hotel's charges for the rental of beach chairs, umbrellas, canoes, paddle boats, golf carts, etc.
Separately stated service charges	A hotel's separately stated service charges or other charges related to a taxable sale that are not specifically listed as gratuities on a bill or invoice. For more details, see TSB-M-09(13)S , <i>Sales Tax on Gratuities and Service Charges</i> .
Sporting and other event tickets	Sales of tickets to sporting events where the guest will be a spectator, such as baseball or football games, stock car races, and college athletic events, or tickets to exhibitions, such as a boat or car show. However, sales of tickets to horse racing tracks and boxing, sparring, or wrestling matches, are not taxable. Sales of certain other types of tickets are not taxable. See Theater and similar tickets under <i>Nontaxable sales and services</i> below.
Transportation services	A hotel's charges for certain types of transportation to and from airports, attractions, and local businesses. (See TSB-M-09(2)S , <i>Sales Tax Imposed on Certain Transportation Services</i> .)

Nontaxable sales and services

Sale or service	Description
Internet access	A hotel's separately stated charges for Internet access.
Valet and laundry services	A hotel's charges for laundering clothing, dry cleaning, tailoring, or shoe shining.
Admission charges	A hotel's charges to a guest for admission to a sporting event where the guest will participate. This includes activities like swimming, golf, tennis, and skiing.
Theater and similar tickets	Sales of theater tickets, movie tickets, or tickets to other dramatic or musical arts performances.
Gratuities and tips	Gratuities and tips that a customer leaves voluntarily (e.g., for housekeeping staff or the wait staff in a restaurant). Mandatory gratuities related to a taxable sale are different because they are automatically added onto the bill given to the customer. A mandatory gratuity is not taxable if all of these conditions are met: <ul style="list-style-type: none"> • the charge is shown separately on the bill, • the charge is identified as a <i>gratuity</i>, and • all the money collected is given to the employees. If any of these conditions is not met, the mandatory gratuity is taxable. (For more information, see TSB-M-09(13)S , <i>Sales Tax on Gratuities and Service Charges</i> .)

Note: A Tax Bulletin is an informational document designed to provide general guidance in simplified language on a topic of interest to taxpayers. It is accurate as of the date issued. However, taxpayers should be aware that subsequent changes in the Tax Law or its interpretation may affect the accuracy of a Tax Bulletin. The information provided in this document does not cover every situation and is not intended to replace the law or change its meaning.

References and other useful information

Tax Law: Sections 1105(c)(3); 1105(c)(4); 1105(d); and 1105(e)

Regulations: Sections 527.5; 527.6; 527.8; and 527.9

Memoranda:

[TSB-M-09\(2\)S](#), *Sales Tax Imposed on Certain Transportation Services*

[TSB-M-09\(13\)S](#), *Sales Tax on Gratuities and Service Charges*

Publications:

[Publication 848](#), *A Guide to Sales Tax for Hotel and Motel Operators*