

STATE OF NEW YORK
DEPARTMENT OF TAXATION AND FINANCE
COMMISSIONER OF TAXATION AND FINANCE
ALBANY, NEW YORK

Pursuant to the authority contained in subdivision First of section 171, subdivisions (1) and (8) of section 1142, and section 1250 (not subdivided) of the Tax Law, the Commissioner of Taxation and Finance hereby makes and adopts the following amendments to the Sales and Use Taxes Regulations, as published in Subchapter A of Chapter IV of Title 20 of the Official Compilation of Codes, Rules and Regulations of the State of New York:

Section 1. Subparagraph (iii) of paragraph (1) of subdivision (b) of section 527.9 of the regulations is amended to read as follows:

(iii) [maid] housekeeping, linen, or other customary hotel services are provided for occupants; and

Section 2. Subparagraph (i) of paragraph (7) of subdivision (b) of section 527.9 of the regulations is amended to read as follows:

(i) "Rent" is the consideration received for hotel occupancy valued in money, whether received in money or otherwise. The term "rent" includes charges for accommodations, services, facilities, amenities, and items that are incidental to the occupancy of the room or rooms, whether those charges are separately stated or included as one sum in the rate for the room or rooms. This includes, but [it] is not limited to, charges for the use of furnishings and equipment; charges for [maid] housekeeping service, towel and linen service, local telephone service (not billed on a per-call basis); and other similar incidental charges. See, also, subdivision (i) of this section concerning miscellaneous transactions.

Section 3. A new cross-reference is added to follow subparagraph (vi) of paragraph (8) of subdivision (b) of section 527.9 of the regulations to read as follows:

“Cross-reference:” For definition of terms as applicable to “room remarketers” see section 1101(c) of the Tax Law.

Section 4. Paragraph (5) of subdivision (e) of section 527.9 of the regulations is amended to read as follows:

(5) Bungalows and similar living units. [(i)] A bungalow or similar furnished living unit limited to a single-family occupancy is not a hotel provided[:

“(a)” no [maid] housekeeping, food, or other common hotel services, such as entertainment or planned activities, are provided by the lessor[; and

“(b)” the rental is for at least one week].

[(ii)] The furnishing of linen by the lessor without the service of changing the linen does not alter the nontaxable status of any rental charges.

Dated: Albany, New York
November 13, 2012

Thomas H. Mattox
Commissioner of Taxation and Finance