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## **Group criticizes occupancy tax: Law meant to provide relief, boost tourism funding**

By AMANDA FOLTS/Finger Lakes Times  
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PENN YAN - A member of a newly formed opposition group spoke out against the county's lodging tax during a Tuesday meeting of the committee charged with implementing it.

But before Richard Testa - a member of the YatesOUCHtax Advocacy Alliance - could make his statement against the newly approved 4 percent occupancy tax for all rental properties in the county, committee chair Taylor Fitch read a statement stressing that the committee's purpose is not to decide whether the tax should be banned but to help the treasurer implement it and design rules and regulations to improve it.

The tax was passed by the Legislature Nov. 13 as a property tax relief measure and to increase funding for tourism agencies, Fitch said. At the treasurer's request, the committee will also give advice on handling legal matters if renters do not comply.

As he had mentioned at a previous finance committee meeting, Testa said the owners of rental properties in the town of Middlesex, like himself, had no prior notice about the tax until it was implemented. Fitch said that has been recorded and has been apologized for. Testa also said that the occupancy tax committee is supposed to have one member from each segment of the lodging community: bed-and-breakfasts, hotel-motel and rental agencies. Currently, only bed-and-breakfasts and hotels-motels are represented, by Susan Barren and Gene Pierce, respectively.

Although he called the lack of rental agency representation "short-sighted," Testa offered to join the committee as a cottage owner on Canandaigua Lake. He also recommended the occupancy tax be put on at least a one-year hiatus.

Fitch also said the county Legislature has passed a 3 percent, or \$30, cap on the rebate for quarterly filing of the tax. He said the county has received some calls suggesting that be increased to 5 percent or \$50.

Chris Orr, owner of the Fox Inn, said he and a group of other businesses - Finger Lakes Getaways, Best Western Vineyard Inn and Suites, Finger Lakes Premier Properties, Diversified Realty and Merritt Hill Manor - have written to the county three times with recommendations including a 5 percent cap.

He said the tax seems to help everyone but rental property owners, noting that the 4 percent tax comes on top of charges from credit card companies.

Testa said he got a quote from several certified public accountants on the cost for filing the occupancy tax forms and was told it would be up to about \$1,500

annually. He said if a person were to do the tax on their own, they face making errors that could lead to fines. **[Administrator's note: "AND TO CRIMINAL PENALTIES!"]**

After deciding to move on, Fitch began to read a letter from the advocacy group that included 15 points they wanted a reply of "yes" or "no" to, but county Administrator Sarah Purdy suggested the county attorney review the form before it is discussed.

When the meeting was coming to a close, Testa asked again if he could join the committee. Committee member Robert Neilsen told him they would like to have someone from the cottage industry but thought all the property owners should choose who that is, rather than just appointing him. Fitch agreed to put Testa's admittance to the committee up for vote on the next meeting's agenda.

The committee then went into executive session to discuss a problem with an individual rental property owner or business registering for the tax.

County treasurer Bonnie Percy said there are now 159 registered properties but they are still waiting for some properties to register.

She said a lot of them are cottage owners who haven't started renting yet, but she has sent them a letter stating that they must be registered by April 1.

The occupancy tax committee will be meeting the last Tuesday of every month for 2008 and then "as needed."

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