

What is it?

A nominal fee passed to customers by select tourism businesses that generates sustainable funding for the state tourism program operated by State of Washington Tourism. Proceeds directly benefit the industry for years to come.

Is it a Tax?

No. This is a statewide levy initiated and agreed to by *and* for the tourism industry

- Authorized or dissolved at the sole discretion of the industry
- Cannot be raided, co-opted or controlled by the state
- Industry voice required, program benefits must be returned to the industry

Why it Matters

- State tourism funding has struggled for 20 years
- Significant tourism market share has been lost
- Federal recovery funds used to re-build the program have been spent
- In 2025, state base funding was cut 67% the state will not be in a position to scale and sustain tourism

State Tourism Office Budgets

California	\$164.1M
Nevada	\$47.3M
Arizona	\$44M
Oregon	\$38.3M
Montana	\$37.5M
Utah	\$29.6M
Colorado	\$20.5M
Idaho	\$10.9M
Washington	\$2.2M

How Will Businesses Benefit?

- \$14.6 billion in visitor spending in the next decade (projected by Tourism Economics)
- Shoulder, off-season and need period promotion
- Expanded, always-on consumer marketing
- Responsible travel programming
- Fully activated international markets

How Does it Work?

Participating businesses assess a rate of 0.4% of a dollar.

Calculation formula: Multiply applicable dollar amount by .004

For Example:

\$200 hotel folio \$120 arts ticket

x .004 x.004 = 80 cents **= 48 cents**

\$80 guided tour \$20 attraction ticket x. 004 $\times .004$

= 32 cents = 8 cents







Promotion

Who Participates?

Businesses with at least \$1M in annual gross receipts in certain sectors

- **♦** Lodging
- **♦** Attractions and arts
- **♦ Sightseeing, tour operators, transportation**
- ♦ Wine, beer, distilling, cider
- **♦ Select full-service restaurants & drinking places**
- **♦ Select retail**





Fee Collection

The State of Washington will collect the assessment fee annually (aligned with regular tax collection schedules) and pass all proceeds to the state tourism program by law.

Businesses choose between two collection options:

1. Pass on the fee to customers via regular point-of-sale system, remit annually



2. Request an annual invoice, pay as a company when regular taxes are due





Next Steps



Passage of SSB 5492 (first bill) signed by governor (spring 2025)



Industry advisory group conducts rulemaking (Aug. to Oct. 2025)



Industry recommendations to Washington Legislature (Nov. 2025)



Industry referenda to ratify self-assessment legislation



Second, enabling bill in 2026 legislative session

Learn More

<u>Click here</u> or scan to learn more about the industry self-assessment and why it's important:



Download fact sheets, presentations and data.

Sign up as a Tourism Advocate and use your voice during the legislative session.

