

## HOTEL REPORT: \$16.8 BILLION LOSS IN STATE AND LOCAL TAX REVENUE FROM DROP IN HOTEL OPERATIONS AND OCCUPANCY

**Breakdown shows states hardest hit by drop in travel demand**

### SUMMARY

Hotels are not only a major economic engine in supporting job creation, small business opportunities and economic activity in states and localities where they operate, they also generate significant tax revenue for states and local governments—\$40 billion in 2018—to fund a wide array of government services. Oxford Economics estimates that due to the sharp drop in travel demand, hotel operations and room occupancy, state and local tax revenues will drop \$16.8 billion in 2020. This does not include additional tax revenue loss from excise tax, fees and property taxes. Some of the hardest hit states include California (-\$1.9 billion), New York (-\$ 1.3 billion), Florida (-\$ 1.3 billion), Nevada (-\$1.1 billion) and Texas (-\$940 million). These tax impacts represent the direct tax revenue decrease from the severe drop in hotel occupancy being experienced; they do not include the potential significant knock-on effects on property taxes supported by hotels (nearly \$9B).

COVID-19 IMPACT ON TAX REVENUE GENERATED BY THE HOTEL INDUSTRY		BREAKDOWN OF STATE & LOCAL TAX REVENUE LOSS (Amounts in millions of dollars)					
STATE	TOTAL STATE & LOCAL TAX REVENUE LOSS	Occupancy Taxes	Sales	Gaming	Personal Income	Corporate	Unemp. Ins. and other social
<b>Nationwide</b>	<b>\$16.8 billion</b>	<b>10,722.86</b>	<b>1,182.61</b>	<b>3,925.37</b>	<b>645.06</b>	<b>338.17</b>	<b>61.47</b>
Alabama	\$105.2 million	93.61	6.65	0.00	3.53	1.48	0.00
Alaska	\$39.9 million	34.95	1.43	0.00	0.00	3.38	0.03
Arizona	\$312.5 million	227.14	32.92	36.25	10.27	5.94	0.00
Arkansas	\$60.8 million	53.55	3.97	0.00	1.93	1.36	0.03
California	\$1.9 billion	1,457.10	197.36	30.10	176.33	68.35	27.22
Colorado	\$253.0 million	155.48	30.81	45.67	13.45	5.45	2.17
Connecticut	\$287.1 million	75.90	9.42	183.13	14.06	4.41	0.13
Delaware	\$51.1 million	10.48	0.00	38.52	1.19	0.87	0.01
District of Columbia	\$154.3 million	134.16	11.38	0.00	4.91	3.84	0.00
Florida	\$1.3 billion	1,005.23	131.30	145.66	0.00	29.42	0.00
Georgia	\$335.2 million	299.88	18.60	0.00	12.39	4.11	0.20
Hawaii	\$390.7 million	339.35	20.39	0.00	25.93	5.04	0.00
Idaho	\$57.4 million	46.79	5.47	0.00	2.97	1.62	0.59
Illinois	\$691.8 million	418.49	47.80	184.80	22.73	17.91	0.09
Indiana	\$331.4 million	142.74	10.15	166.50	8.33	3.72	0.01
Iowa	\$239.3 million	62.34	4.75	163.62	6.27	2.31	0.02
Kansas	\$76.4 million	56.28	3.25	14.10	1.66	1.14	0.01
Kentucky	\$134.8 million	117.87	5.65	0.00	7.19	3.64	0.49
Louisiana	\$499.1 million	119.77	17.17	350.22	8.20	2.13	1.61
Maine	\$65.9 million	39.76	3.75	16.81	3.84	1.68	0.05
Maryland	\$497.9 million	127.26	13.75	329.06	20.99	5.97	0.91
Massachusetts	\$306.8 million	243.06	22.62	11.25	19.63	9.92	0.32
Michigan	\$498.8 million	201.73	16.13	258.62	16.72	5.58	0.03
Minnesota	\$173.0 million	139.88	13.73	0.00	13.11	6.16	0.17
Mississippi	\$219.8 million	35.73	4.88	164.87	6.55	7.75	0.04

<b>Missouri</b>	\$369.4 million	126.85	11.07	219.27	9.60	2.47	0.12
<b>Montana</b>	\$36.3 million	31.27	0.00	0.00	2.91	1.29	0.81
<b>Nebraska</b>	\$57.8 million	52.90	2.08	0.00	1.90	0.96	0.01
<b>Nevada</b>	\$1.1 billion	336.71	167.92	642.40	0.00	2.68	0.00
<b>New Hampshire</b>	\$46.5 million	42.20	0.00	0.00	0.14	4.15	0.00
<b>New Jersey</b>	\$434.3 million	170.87	20.87	203.71	22.71	13.80	2.37
<b>New Mexico</b>	\$119.3 million	59.79	5.59	49.15	3.31	1.29	0.16
<b>New York</b>	\$1.3 billion	968.57	75.30	132.18	83.87	51.69	6.16
<b>North Carolina</b>	\$289.2 million	241.60	21.59	3.99	16.87	5.13	0.00
<b>North Dakota</b>	\$19.5 million	16.72	1.32	0.00	0.43	0.55	0.49
<b>Ohio</b>	\$242.1 million	213.87	14.63	0.00	10.91	1.36	1.36
<b>Oklahoma</b>	\$144.2 million	83.99	5.18	45.79	5.27	2.88	1.09
<b>Oregon</b>	\$171.7 million	145.14	0.00	5.08	15.54	4.34	1.59
<b>Pennsylvania</b>	\$542.2 million	239.43	24.59	247.99	18.68	11.09	0.40
<b>Rhode Island</b>	\$35.2 million	30.75	2.27	0.00	1.21	0.60	0.35
<b>South Carolina</b>	\$278.4 million	250.33	13.99	0.00	9.24	4.45	0.35
<b>South Dakota</b>	\$42.4 million	31.15	2.58	8.18	0.00	0.43	0.01
<b>Tennessee</b>	\$311.8 million	277.76	24.82	0.00	0.62	8.56	0.00
<b>Texas</b>	\$940.3 million	861.69	74.62	0.00	0.00	1.71	2.31
<b>Utah</b>	\$116.7 million	95.52	11.77	0.00	6.56	2.17	0.66
<b>Vermont</b>	\$60.4 million	48.23	6.94	0.00	3.24	2.03	0.00
<b>Virginia</b>	\$311.3 million	273.66	17.34	0.00	16.15	4.13	0.01
<b>Washington</b>	\$332.9 million	294.00	31.57	0.00	0.00	0.45	6.92
<b>West Virginia</b>	\$223.3 million	24.70	2.18	191.41	3.59	1.20	0.19
<b>Wisconsin</b>	\$186.5 million	125.64	8.81	37.04	10.16	4.89	0.01
<b>Wyoming</b>	\$45.9 million	41.02	2.21	0.00	0.00	0.68	1.95