

TOURISM MARKETING TAX CREDIT

A good thing for Alaska and Alaskans because

SB 311 and HB 422

Alaska's travel industry represents PROVEN ECONOMIC DEVELOPMENT

Alaska's private sector economy DOES matter --- a strong and growing private sector economy plays a crucial role in strengthening Alaskan families by allowing them to balance their family budget.

Two million annual visitors do not arrive in Alaska with empty pockets ---they bring with them 1.8 billion new dollars which are injected into Alaska's economy --- creating 40,000+ jobs.

And, \$70+ million dollars in taxes contributed to local governments --- and \$120+ million dollars in taxes/fees contributed to state government.

Alaska's travel industry is important to ALASKAN-OWNED SMALL BUSINESSES

Alaska's travel industry offers truly amazing opportunities for even the smallest of Alaskan businesses to participate at an ownership level.

All evidence from travel destination around the world reinforces the fact that tourism marketing is the only proven, travel industry-related economic development tool that empowers a travel destination to grow in a balanced and sustainable way, thus ensuring a permanent seat at the economic table for local residents and the small businesses they own.

It represents a SUSTAINABLE long-term tourism marketing funding solution

In FY10 --- Alaska's travel industry will contribute \$120+ million dollars in taxes/fees to state government --- reinvestment of a reasonable percentage of these travel-industry revenues back into Alaska's tourism marketing program will lead to more, not less, future revenues accruing to state government from a growing travel industry.

The bottom-line --- when it comes to addressing the state's long-term fiscal gap --- reinvestment of travel-industry generated tax revenues back into tourism marketing is not part of the problem, it is part of the solution.

The current worldwide ECONOMIC CRISIS creates an urgency to act

The economic crisis facing Alaska's travel industry has created an urgency to act on legislation creating a TOURISM MARKETING TAX CREDIT (**SB311 and HB422**)--- much evidence points towards the continuing worldwide economic crisis potentially impacting Alaska's travel industry even more severely in 2010 than 2009.

Economic recovery will not happen overnight --- for those Alaska travel industry businesses that are fortunate enough to survive the next couple years, and certainly not all will, the economic recovery period will likely take multiple-years --- it is critical to put the tools in place now to support a well-funded tourism marketing budget that can serve as the foundation for an aggressive Alaska travel industry economic recovery effort --- not just for the sake of Alaska's travel industry but, for the sake of Alaska's entire economy.

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