

TOURISM WORKS FOR ALASKA

Tourism is a renewable natural resource that can only be expanded through destination marketing. In 2019:

• Alaska's more than **2.25 million visitors** spent more than

\$2 billion in our state, supporting communities and tourism businesses.

• Visitor fees provided more than **\$88 million** for city and borough

budgets and \$126 million to the state's general fund.

• Alaska's tourism industry generated more than **\$4.5 billion** in economic activity.

Alaska's Vehicle Rental Tax: A sustainable investment in destination marketing

Approximately **70%** of Alaska's Vehicle Rental Tax* (VRT) funds are generated by Alaska's out-of-state guests. While revenues vary from year to year, a percentage-based annual distribution of VRT funds in support of statewide tourism marketing is a win-win for the State and for Alaska's tourism industry.



*Per statutory language, the Alaska Legislature may appropriate the balance in the vehicle rental tax account for tourism development and marketing (AS 43.52.010).

Sources: Alaska Visitor Volume Report Summer 2017 and Alaska Visitor Volume Report Fall/Winter 2015/16 to 2017/18, McDowell Group

Alaska's Tourism Industry = A Renewable Natural Resource

Case Study: Northern Alaska Tour Company, Coldfoot





Founded in 1986 to provide unparalleled travel and touring experiences in Alaska's Arctic, Northern Alaska Tour Company now employs year-round Alaska guides, maintenance staff, and support staff at camps in Coldfoot, Yukon River Crossing, and Deadhorse.

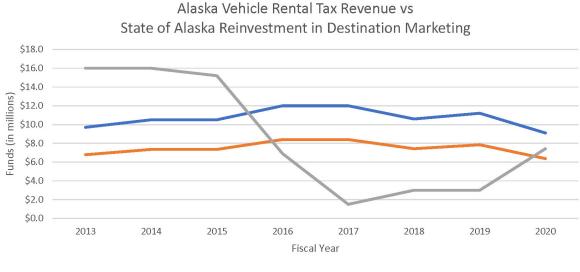
I'm excited by the present reality and the future potential of Alaska's travel industry. If done right, tourism can provide Alaska with a viable and sustainable growth industry that enhances those aspects of our quality of life that we Alaskans cherish most.

- Brett Carlson

A Sustainable Future

In FY 2020 the VRT raised more than \$9 million, with approximately 70% generated by out-of-state visitors. Reinvesting in destination marketing grows Alaska's brand through TV and print advertising, social media, public and media relations, travel trade marketing, and international promotions.

An annual reinvestment of VRT funds in destination marketing creates a path forward.



— Vehicle Rental Tax (in millions) 🛛 💶 Est. 70% paid by Out of State Visitors 🖉 ——— State Reinvestment (in millions)

Leveraged by industry contributions and investments, Alaska's statewide destination marketing program sustains a healthy tourism industry that returns economic benefits to our families, our communities, and our state's economy. Thank you for supporting tourism in Alaska.

Tourism Works for Alaska - ATIA

The Alaska Travel Industry Association (ATIA) is the leading statewide, membership trade association for Alaska's tourism industry. With more than 600 members, we advocate for a healthy tourism industry and promote Alaska as the premier travel destination.



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