

### **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 spend more than
   \$2 billion in our state, supporting communities and tourism businesses.
- Visitor fees provide more than \$88 million for city and borough budgets and \$126 million to the state's general fund.
- Alaska's tourism industry generates 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.



<sup>\*</sup>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: Lazy Otter Charters, Whittier





Lazy Otter Charters, a family owned and operated business, has been operating in Whittier since 1994. Lazy Otters added a third boat to their fleet in 2019 and expanded their workforce to meet a growing client base.

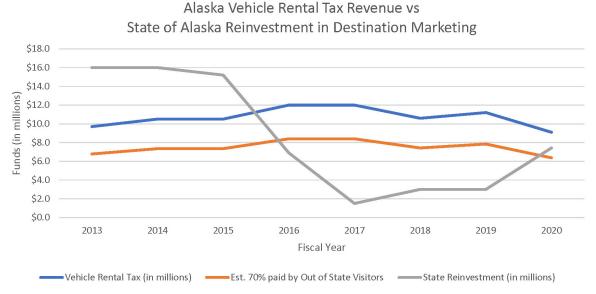
The work I do is deeply satisfying. I get to share in the adventures of people from all over the world as they get off the beaten path and explore the remote reaches of Prince William Sound. Whether it's weeks of kayaking or a day tour, every visitor comes back changed. For some its emotional and others its spiritual, and I played a small part in that.

- Meghan O'Leary (deckhand, center)

#### 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.



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 680 members, we advocate for a healthy tourism industry and promote Alaska as the premier travel destination.

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