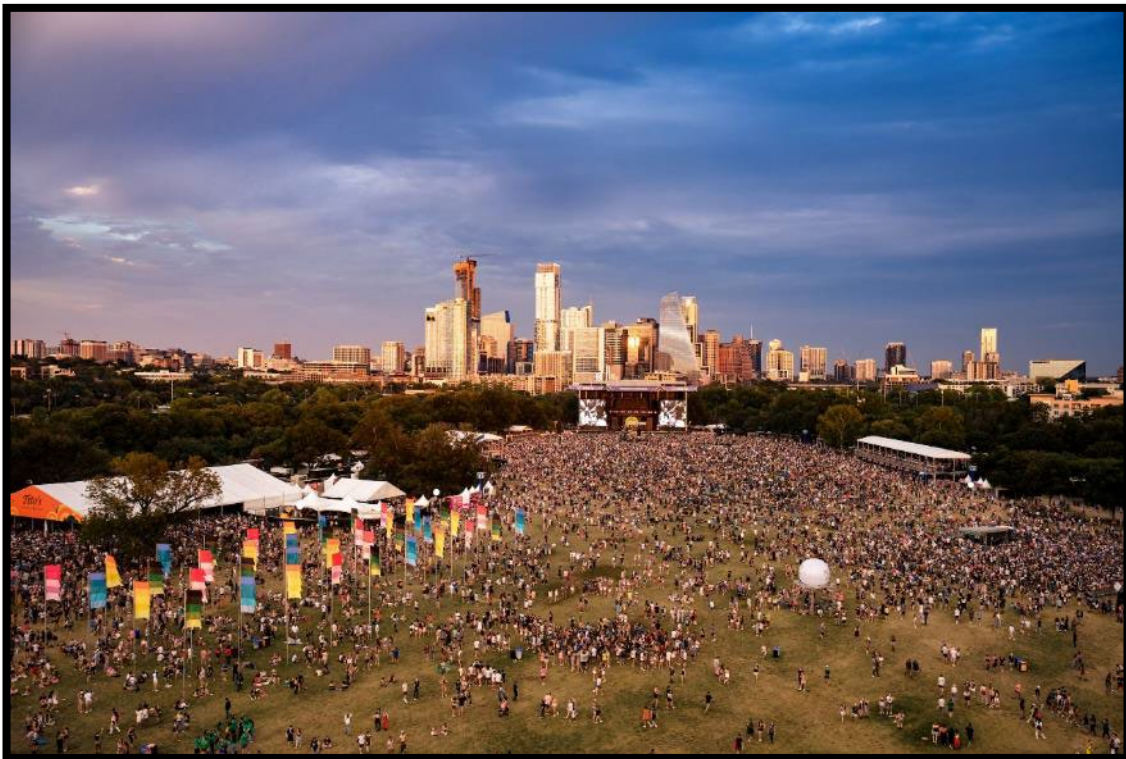


Tourism Commission Board

Tourism Tax Impacts

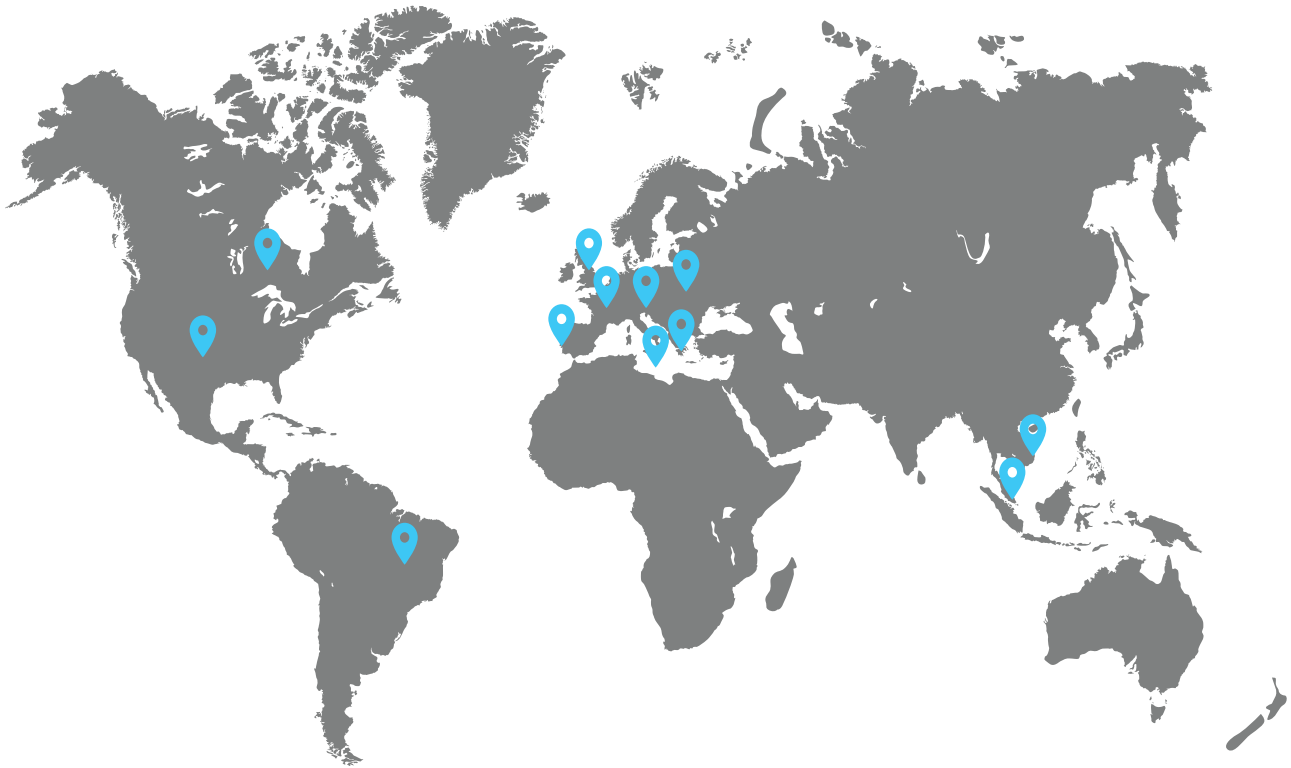
February 2024



Courtesy of C3 Presents

About AE

Over the past 28 years, AngelouEconomics has executed over 1,000 projects working hand-in-hand with major corporations, towns, cities, regions, states, and countries to develop visions, strategies, and implementation plans to advance regional growth and prosperity.



MAJOR CORPORATE CLIENTS



intel.



ConocoPhillips

ORACLE

AMD

Sematech
sanitaire



Cleveland Clinic



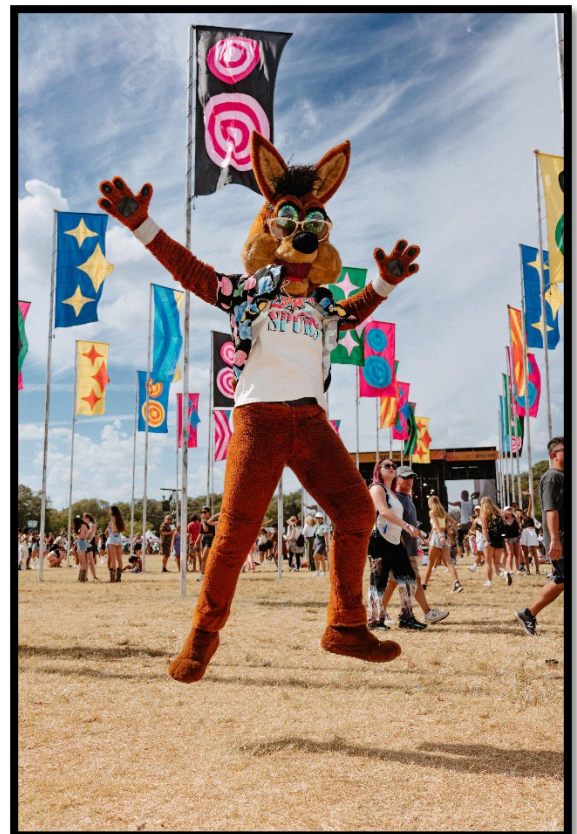
Mass
General
Brigham

DURACELL®



Introduction

- Austin's tourism industry is worth billions. Visit Austin reported travelers spent over \$8.2 billion in 2022.
- Many of these visitors come from out of the area and from out of state
- Visitors are drawn to Austin for many events with state, national, and international appeal
 - Austin City Limits Music Festival
 - F1
 - SXSW
 - UT Athletics
- Each event sees contributions to
 - Sales & Use
 - Rental Car
 - Title 5, ABC
 - Mixed Beverages
 - Hotel



Courtesy of C3 Presents

Economic Impact Methodology

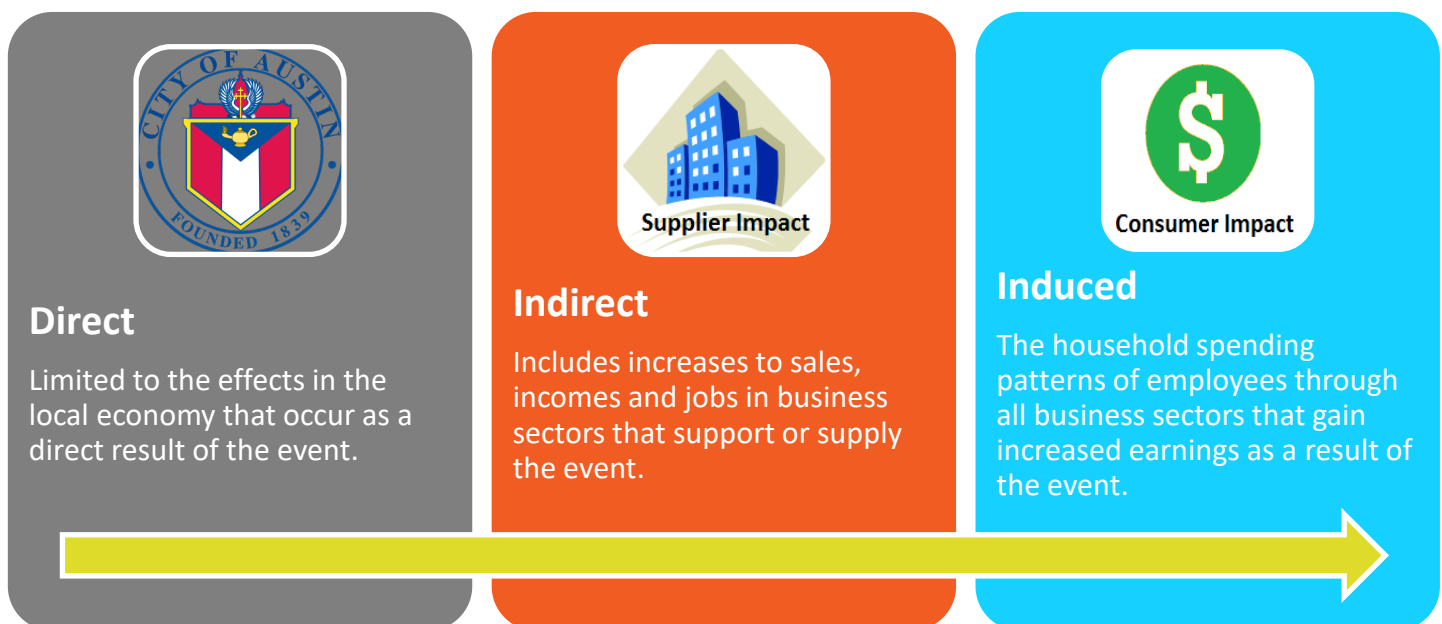
Economic Impact Models & Inputs

- AngelouEconomics employs the IMPLAN (**IM**Impact Analysis for **PLAN**ning) model for the analysis of the various events. The model utilizes multipliers specific to the Austin economy. The analysis of such events is comprised of two models: event operations and attendee expenditures. The sum of these two impacts create the total economic output of the event.
- Event operations data are provided by clients and are used to generate the event operations model. The attendee expenditures models are created using inputs from survey data and assumptions estimating the amount of money spent by attendants on various categories of expenditures.



Model Outputs

- Each of the models generate three different types of effects: direct, indirect and induced effects. The IMPLAN model's calculated outputs include jobs, labor income, total economic output, and state and local tax revenues.



Tax Impact

Events

TAX IMPACTS	
	Hotel Tax Range
Multi Day Music Events	\$525,000 - \$2,500,000
Multi Day Race Events	\$350,000 - \$3,500,000
University of Texas Athletics	\$550,000 - \$4,400,000
SXSW	\$1,100,000 - \$1,900,000

Sources: AngelouEconomics Greyhill Advisors

Ripples Throughout Economy

➤ Top Sectors:

1. Food & Beverage
2. Non-Event Entertainment
3. Ground Transportation

Length of Stay

- 3.2 to 3.7 days
- How to encourage an extra day?



Courtesy of C3 Presents



Opportunities

Niche Tourism

- Specialized interests or preferences catering to specific segments of travelers seeking unique experiences such as:
 - **Ecotourism** – focused on responsible travel to natural areas, conserving the environment, sustaining the well-being of local communities, accompanied by educational experiences.
 - Examples include wildlife viewing, nature walks, eco-friendly accommodations
 - **Wellness** – focused on promoting health, relaxation, and holistic well-being.
 - Examples include spa retreats, yoga retreats, meditation, workshops, healthy dining
 - **Culinary** – revolves around exploring the local food culture(s), culinary traditions, and gastronomic specialties of the destination.
 - Examples include food tours, cooking classes, farmers' markets, wine tastings, unique dining experiences
 - **Voluntourism** – combining travel with volunteer work
 - Examples include community development, conservation projects, humanitarian initiatives

Closing Thoughts

- Identifying market segments and demographics and tailoring additional experiences on the bookends of the larger Austin events
- Nebraska Passport Program
 - \$237.2 million in traveler spending, \$4.9 million on overnight accommodations

Sources: AngelouEconomics Dean Runyan Associates

AngelouEconomics

AngelouEconomics partners with client communities and regions across the United States and abroad to candidly assess current economic development realities and identify opportunities.

Our goal is to leverage the unique strengths of each region to provide new, strategic direction for economic development.

As a result, AngelouEconomics' clients diversify their economies, expand job opportunities and investment, foster entrepreneurial growth, better prepare their workforce and attract 'new economy' companies.

To learn more, visit www.angeloueconomics.com

