

31 May 2018

## Media Release

---

# Tourism industry keen to discuss visitor tax

How and where any new tax on our international visitors will be spent are critical to tourism industry acceptance of the Government's plans, Tourism Industry Aotearoa says.

In a speech at a tourism industry event today, Tourism Minister Kelvin Davis confirmed that the Government is pushing ahead with plans for an International Visitor Levy, with details to be revealed soon. He encouraged the tourism industry to 'take part in the conversation' about the new tax.

TIA Chief Executive Chris Roberts says the industry is eager to discuss what the Government plans to spend the tax revenue on and how it will be distributed, as well as details around how it will be collected.

"We're ready for the conversation and we hope the Government is willing to listen. There are some big questions to be discussed, including what the Government plans to do with the money. Our international visitors will be more accepting of being asked to pay the new tax if they can see it is going to support infrastructure and services that enhance their visit to New Zealand."

Mr Roberts says the Government has indicated New Zealand residents and anyone travelling on a New Zealand passport will be exempt from paying the new border tax.

"We know that exemptions for Australians and Pacific Islanders are also being considered. This makes it a very complex tax to design and implement. Airline ticketing systems around the world are not set up to charge different taxes for different passengers, so we are very keen to see how the Government thinks the tax can work."

Mr Roberts says that in contemplating a further border tax – there is already a Border Clearance Levy of \$22 per passenger – it must be acknowledged that international visitors are more than paying their way.

"Tourism is our biggest export industry and international visitors are not freeloading. While visiting New Zealand they pay on average more than \$400 each in GST, as well as the existing border levies and other taxes.

"The Government can choose to add more taxes but the key issue is getting more of the revenue collected to where it is needed, in terms of providing infrastructure to support the visitor economy.

"We look forward to working with the Government on this issue to reach the best possible outcome for New Zealand."

### TOURISM INDUSTRY AOTEAROA

Level 4, 79 Boulcott Street, PO Box 1697, Wellington 6140, New Zealand  
P +64 4 499 0104 [www.tia.org.nz](http://www.tia.org.nz) E [info@tia.org.nz](mailto:info@tia.org.nz)



**For further information, please contact:**

Ann-Marie Johnson  
Communications Manager  
Tourism Industry Aotearoa  
Mobile: 027 600 4565  
Email: [ann-marie.johnson@tia.org.nz](mailto:ann-marie.johnson@tia.org.nz)  
[www.tia.org.nz](http://www.tia.org.nz)  
[www.tourism2025.org.nz](http://www.tourism2025.org.nz)

**KEY FACTS**

- Tourism in New Zealand is a \$99 million per day industry. Tourism delivers around \$40 million in foreign exchange to the New Zealand economy each day of the year. Domestic tourism contributes another \$59 million in economic activity every day.
- Tourism is New Zealand's biggest export earner, contributing \$14.5 billion or 20.7% of New Zealand's foreign exchange earnings (year ended March 2017).
- 14.5% of the total number of people employed in New Zealand work directly or indirectly in tourism. That means 399,150 people are working in the visitor economy.
- The [Tourism 2025](#) growth framework has a goal of growing total tourism revenue to \$41 billion a year by 2025.

Visit [www.tia.org.nz](http://www.tia.org.nz) for more information

**TOURISM INDUSTRY AOTEAROA**

Level 4, 79 Boulcott Street, PO Box 1697, Wellington 6140, New Zealand  
P +64 4 499 0104 [www.tia.org.nz](http://www.tia.org.nz) E [info@tia.org.nz](mailto:info@tia.org.nz)

