



For Immediate Release

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PICKPOCKETS TARGETING TOURISTS AT VIRGINIA STATE CAPITOL BUILDING

Virginia State Senate considers cashing in on blooming tourism industry by pickpocketing travelers

Richmond, VA, January 14, 2012 – A band of pickpockets is rumored to be hanging around the Virginia State Capitol and targeting tourists with legislation to enact new taxes on online travel bookings.

On the heels of a banner year for Virginia tourism, the state Senate recently introduced a new piece of legislation—Senate Bill 767—aimed at travel facilitators such as Virginia travel agents, tour operators and online travel companies. Under the new tax proposal, traveling consumers would be forced to pay state sales and local transient occupancy taxes on hotel reservation facilitation services, increasing the cost of their nightly room stays.

“This proposal is the brainchild of out-of-state hotel interests that want to drive more business to chain hotels and company websites, and local tourism executives who want to increase their budgets. Independent hotels cannot match large out-of-state hotels chains’ marketing war chests, so we rely on travel agents, online travel companies, and other such marketing services to compete. While tourists are often an easy target, service taxes can quickly steamroll and hit all kinds of businesses that charge a fee,” said Bobbie Singh-Allen, Executive Director of the Independent Lodging Industry Association.

The U.S. Travel Association reported in 2012 that domestic travelers spent \$20.4 billion in Virginia in 2011, supporting 207, 000 jobs and generating \$1.32 billion in state and local tax revenue. Many of these travelers were Virginians themselves, traveling from Charlottesville to the beaches, or from Richmond to wine country. This in-state travel would be equally affected by the new tax.

“This proposed travel services penalty tax would disproportionately harm Virginia independent hotels, small business travel agents trying to make a living, and budget-conscious travelers looking to book a getaway with their family. Now is not the time for new travel service taxes in Virginia,” said Singh-Allen.

About the Independent Lodging Industry Association

The Independent Lodging Industry Association (ILIA) is a national association with over 3000 members nationwide. It was founded in 2010 by the California Lodging Industry Association (CLIA). CLIA was established 65 years ago by a group of independent hotel owners and operators. Over the past several decades, independent hotels, independently owned franchised hotels, and owners have been impacted by decisions being made out of the halls of State Capitols to Washington, D.C. Chain hotels have dominated the policy making process. ILIA will level the playing field and allow independent hotels a seat at the table. For more information, please contact me at: bobbie@independentlodging.org or 916-826-2075.

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