INTRODUCTION & ORIGIN

The Tourism Benchmark Study is a biennial publication of the Vermont Department of Tourism and Marketing. The study seeks to illustrate the impact tourism has on the Vermont economy. These impacts include jobs, income for Vermonters, and tax revenue for state and local governments. The information in this study is compiled using analysis of tax reports, credit card data, and statistics from the Vermont Department of Labor and the U.S. Bureau of Economic Analysis.
TOURISM IMPACT ON VERMONT’S ECONOMY IS SIGNIFICANT

» IN 2017, TOURISM BROUGHT $2.8 BILLION DOLLARS INTO VERMONT, UP FROM $2.6 BILLION IN 2015.

VISITATION TRENDS REMAIN STRONG

» 13.1 MILLION PEOPLE VISITED VERMONT IN 2017.

WINTER MAKES VERMONT UNIQUE

» VERMONT SEES STRONG ECONOMIC ACTIVITY DURING THE WINTER THAT NEIGHBORS, LIKE NEW YORK AND NEW HAMPSHIRE, DO NOT.

SECOND HOME CONTRIBUTIONS MATTER

» SECOND HOME ECONOMIC ACTIVITY CONTRIBUTES $380 MILLION TO VERMONT’S ECONOMY.

TOURISM IMPACT FOR SOUTHERN VERMONT

» TOURISM STRENGTHENS THE ECONOMY OF VERMONT’S SOUTHERN COUNTIES (RUTLAND, WINDSOR, BENNINGTON, WINDHAM).

SUMMARY OF IMPACTS

2017 SPENDING

- RESTAURANTS AND BARS: $600 MILLION
- LODGING: $550 MILLION
- RECREATION AND ENTERTAINMENT: $360 MILLION
- OTHER RETAIL SALES: $283 MILLION
- GASOLINE SALES: $210 MILLION
- TRAVEL EXPENSES: $205 MILLION
- OTHER SERVICES: $153 MILLION
- GROCERIES AND CONVENIENCE STORES: $145 MILLION

SECOND HOME SPENDING

- PROPERTY TAXES: $200 MILLION
- UTILITIES AND FUEL: $100 MILLION
- MAINTENANCE, INSURANCE AND MANAGEMENT: $40 MILLION
- CONSTRUCTION AND RENOVATION: $40 MILLION

TOTAL: $2.88 BILLION
TOURISM IMPACT ON VERMONT’S ECONOMY IS SIGNIFICANT

In 2017, tourism brought $2.8 billion dollars into the State of Vermont.

» AFTER MANUFACTURING, TOURISM REPRESENTS THE LARGEST CONTRIBUTION OF OUT-OF-STATE MONEY INTO THE STATE’S ECONOMY.

» THE TOURISM INDUSTRY SUPPORTS 32,204 JOBS, WHICH MAKES UP ABOUT 10% OF VERMONT’S WORKFORCE.

» WAGES FROM THOSE JOBS ARE $1.05 BILLION AND MAKE UP 6.1% OF ALL INCOME EARNED IN THE STATE.

» ECONOMIC ACTIVITY IN THE ACCOMMODATIONS SECTOR GENERATES THREE TIMES MORE DOLLAR VOLUME IN VERMONT THAN COMPARED TO THE UNITED STATES AVERAGE.

THESE TAX DOLLARS PROVIDE A TAX REDUCTION OF $1,450 PER VERMONT HOUSEHOLD.

VERMONT TAX REVENUE FROM THE TOURISM INDUSTRY

<table>
<thead>
<tr>
<th>Tax</th>
<th>Revenue</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vermont Income Tax</td>
<td>$35 Million</td>
</tr>
<tr>
<td>Meals and Rooms Tax</td>
<td></td>
</tr>
<tr>
<td>Rooms</td>
<td>$54 Million</td>
</tr>
<tr>
<td>Meals</td>
<td>$44 Million</td>
</tr>
<tr>
<td>Alcohol</td>
<td>$10 Million</td>
</tr>
<tr>
<td>Sales Tax</td>
<td></td>
</tr>
<tr>
<td>Property Tax (ED Fund)</td>
<td>$130 Million</td>
</tr>
<tr>
<td>Property Tax (Local Govt. Support)</td>
<td>$70 Million</td>
</tr>
<tr>
<td>Gasoline Tax</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>$391 Million</td>
</tr>
</tbody>
</table>

These tax dollars provide a tax reduction of $1,450 per Vermont household.
VISITATION TRENDS REMAIN STRONG

VISITS TO VERMONT
TOTAL VISITORS: **13.1 MILLION**
TOTAL OVERNIGHT STAYS: **7.8 MILLION**
TOTAL VISITOR NIGHTS: **22.0 MILLION**

WHERE VISITORS STAY (PER OVERNIGHT STAYS)
- **42%** OVERNIGHT LODGING
- **30%** SECOND HOME
- **24%** FRIENDS AND FAMILY
- **4%** CAMPGROUND

OVERNIGHT LODGING PROPERTIES
The overall trend in rooms receipts suggests increases in both room rental receipts and room nights rented. Room receipts increased 14% over 2015. This large jump is due, in part, to added revenue from AirBnB and similar short-term rental platforms, which are counted in this category for the first time.
Automobile traffic on the roads visitors use to access the state continues to increase slightly year over year. This traffic index is measured from southbound traffic on I-89, I-91, and Route 7 on holidays and Sundays.

**VISITOR VEHICLE TRAFFIC INDEX 2008 - 2017**

Since 2008 traffic volume has increased 30%
WINTER MAKES VERMONT UNIQUE

The biggest economic contributor in outdoor recreation is skiing and snowboarding. Resorts throughout the state are investing in resort infrastructure and facilities. The result is a winter season that creates a significant level of economic activity. Similar growth in winter tourism volume is not seen in the recreation zones of New York and New Hampshire.
Skier and rider day totals remain steady in Vermont, in part, because of decent snow quality and weather during the past two seasons. For the 2017-2018 season, Vermont saw almost four million skier and rider days. When Vermont skier days are compared to northeast skier days, Vermont is growing its market share.
SPENDING PATTERNS IN SKI TOWNS

OVERALL SPENDING
An analysis of credit card data from 35 ski towns reveals that tourism dollars drive spending around winter recreation centers.

SPENDING PATTERNS IN THE BURLINGTON AREA
For comparison here is the similar data for the Burlington area.

SOURCE: VISAVUE CREDIT CARD DATA
SECOND HOME CONTRIBUTIONS MATTER

The economic impact of second homes continues to increase. Beyond property taxes, second home owners contribute to increased expenditures in food, household furnishings, and maintenance.

SECOND HOME OWNERSHIP USING GROCERY SALES

20% OF VERMONT HOUSING IS SECOND HOME OWNERSHIP. SECOND HOMES CONTRIBUTE $200 MILLION IN STATE AND LOCAL PROPERTY TAXES. SECOND HOME VISITATION ROSE 3% IN 2017.
VERMONT’S SOUTHERN COUNTIES (RUTLAND, WINDSOR, BENNINGTON, WINDHAM) RELY ON TOURISM TO GROW THEIR ECONOMIES. THESE COUNTIES ALSO PROVIDE SUBSTANTIAL TAX REVENUE TO THE STATE.

Credit card data* reveals significant out of state spending throughout the year in southern Vermont communities.

<table>
<thead>
<tr>
<th>Category</th>
<th>Winter</th>
<th>Spring</th>
<th>Summer</th>
<th>Fall</th>
</tr>
</thead>
<tbody>
<tr>
<td>Restaurant</td>
<td>72%</td>
<td>52%</td>
<td>62%</td>
<td>60%</td>
</tr>
<tr>
<td>Motor Fuel</td>
<td>37%</td>
<td>31%</td>
<td>37%</td>
<td>33%</td>
</tr>
<tr>
<td>Lodging</td>
<td>93%</td>
<td>89%</td>
<td>93%</td>
<td>92%</td>
</tr>
<tr>
<td>Retail</td>
<td>41%</td>
<td>35%</td>
<td>45%</td>
<td>41%</td>
</tr>
</tbody>
</table>

* Excludes Ski Towns

40% OF ROOMS TAX COMES FROM SOUTHERN VERMONT. 50% OF SECOND HOME PROPERTY TAX IS GENERATED FROM VERMONT’S LOWER FOUR COUNTIES.