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ITA's Mission:

To advocate the **value of tourism** in Indiana's economy and support the **best practices** of its destination marketing organizations.

A black and white photograph showing a group of four people walking along a path. To their right is a large, curved wall covered in a mural of various flowers. The scene is brightly lit, casting long shadows on the ground.The logo for the Indiana Tourism Association, consisting of the 'IT' monogram and the text 'INDIANA TOURISM ASSOCIATION'.

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History of Innkeepers Tax

- **St. Joe** adopted the first Indiana tax in 1973
- **Similar to a corn or dairy “check-off” fee** – the money is “voluntarily” collected by the business owner in anticipation that the money will come back to support projects that increase the sales of that product
- **But it is a Class C Felony** if collected and not remitted
- **Has been used to fund infrastructure projects** such as convention centers, marketing or community development

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History of Innkeepers Tax

- Some counties have their own state legislation but most (61) have enacted the **Uniform Innkeepers Tax** (Indiana Code 6-9-18) that was adopted in 1982
- Legislation allows up to **5%** by county ordinance
- Anything over 5% requires **special legislation**
- **80 counties** total collect
- Funds go to local tourism commissions, convention and visitors bureaus or **destination management organizations**
- **SPECIAL SECTIONS - CIBs**



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Innkeepers Tax Overview

- Pass through tax on the consumer – lodging operator **collects and remits**
- Based on **sale of room** only
- Local versus Statewide Collections
- **Online Travel Agencies/Marketplace Facilitators** such as AirBnB, VRBO, Expedia, etc.



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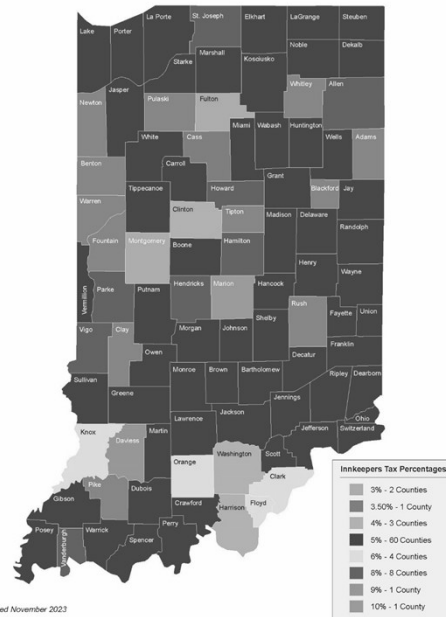
Innkeepers Tax Facts

- **15 counties collect** lodging taxes at the state level
- **Annual innkeepers taxes** collected estimated more than **\$100 million** statewide in 2023
- **Biggest years for adoption** of the tax were in the 1990s
- **Average tax rate** statewide is: 5%



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Indiana Map of Innkeepers Tax



Updated November 2023



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How Innkeepers Tax is Used

- **Staffing:** build partnerships, direct selling to potential visitors
- **Marketing:** visitor guides, websites and ads
- **Intelligence:** market research data to prove return on investment and economic impact of tourism
- **Development:** grants to events and development of new tourism attractions and enhancements



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Importance of Confidential Data

With a completed confidentiality agreement between the county fiscal officer and the designated Tourism representative the sharing of data offers:

- Compliance for receipt of services
- Historical trends for budgeting
- ROI of programming by towns across the county
- Economic Impact results of booked and hosted events affecting collections
- Gives truth to the tourism numbers
- Shared support of collection efforts*
- Shared benefit of late fee collections*

INDIANA TOURISM ASSOCIATION

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