

# TOURIST TAXES ARE NOT POPULAR IN SPAIN



The Parliament of Catalonia has been studying a request from the Barcelona City Council to increase the tourist taxes across the city. The initiative has raised so much concern in different private sectors that the Barcelona hotel association has expressed its intention to take the matter to court if the petition is approved.

The hotel association sees it as an arbitrary measure since they believe that other sectors such as catering, private transport or heritage buildings (museums and other leisure venues) benefit from tourism and yet are not subject to the taxation.

**Tourist taxes are a common thing in many European countries, but not in Spain.** They range from the lowest, like the one in Czech Republic where the local government of Prague charges about €0.5 per person per night, to the highest, such as the €39 travel tax introduced in Sweden since April last year on every flight ticket, as a means of minimizing the impact of CO2 emissions.

In the midst of such a scale, we find a wide variety of numbers and reasons behind these measures. Among the highest rates are those of Rome, Berlin, Venice or cities like Amsterdam that apply up to 6% on the total invoice depending on the type of accommodation. Meanwhile, countries such as Portugal, Bulgaria, Croatia or Romania charge up to €2 per night and person, also subject to the type of accommodation, be it a campsite, bed, and breakfast, or hotel of different categories. On the other hand, Paris, New York and certain cities in Switzerland charge tourists with no more than €3.30 per overnight stay; whereas cities with large numbers of visitors such as London, Dublin and Munich do not apply any tourist taxes.

In Spain, the Balearic Islands and Catalonia are the only autonomous communities where a tourist tax has been introduced. Currently, Barcelona receives about 15 million euros a year and the Generalitat Valenciana collects another amount as well for that same tax. With the increase, it is expected that the figure will rise to approximately 100 million euros, although the city council assures that 30 million euros would be enough to offset the negative effects that the tourist boom of recent years has caused to the city infrastructure, both in environmental and heritage aspects. As expected, the petition has reignited the debate on mass tourism and its effects on the country.

For hoteliers a tax increase can be harmful, an industry that has allowed Barcelona not to sink during the past crisis and, according to them, what needs to be addressed are the illegal holiday apartments and rentals of tourist rooms. For its part, the Barcelona Chamber of Commerce suggests that the tax increase should be used to promote decentralization and to overcome seasonality in the city. It is an idea that the Barcelona Tourist Apartments Association (APARTUR) does not share, by reasserting that the tax does not solve the problem of mass tourism and that, in fact, it does encourage the appearance of more illegal holiday apartments, as the pro-independence party Esquerra Republicana (ERC) emphasizes.

Since the tourism taxes were introduced in 2012, Catalonia has seen its tourist numbers grow by 23%. The taxation had the same effect on the Balearic Islands. **The committee of experts formed to review the financing model of 2017 states that this kind of taxation has a small negative**

## **impact on the entry of tourists.**

In the same vein, the Revista Econòmica de Catalunya (a magazine dedicated to Catalonia's economic scene), stated in a recent article that it has not been possible to prove that there is a negative effect on Catalonia's tourism demand due to the tourist tax. However, EXCELTUR (the Alliance for Excellency in Tourism) warns that in terms of tourist preferences, not everything depends on whether the tax increases or not, but that other factors come into play, such as the political climate that the community currently experiences, as well as the Brexit, the Thomas Cook bankruptcy, and the recovery of competing destinations such as Turkey, Egypt or Tunisia.

Date: 2019-11-11

Article link:

<https://www.tourism-review.com/barcelona-plans-to-increase-the-tourist-taxes-news11261>