Why Does Tourism Matter?

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We have dedicated this issue of the Kansas Government Journal to travel and tourism in Kansas. Why? Data shows tourism has a large impact on the economic vitality of our state. Tourism is an industry that has both direct and indirect impacts. Directly, jobs, wages, taxes and local businesses are supported by visitor spending. The investments made in capital projects including roads, utilities, parks and recreation and arts and cultural amenities indirectly benefit the tourism industry which contributes to a healthy balance in our local economies. Local governments should understand the impact of tourism on their communities because it is one of the many factors to consider when making policy and budgetary decisions.

For Kansas, tourism is the eighth-largest industry in the state. Tourism ranks higher than educational services, wholesale trades and construction. Thirty-five million visitors came to Kansas in 2015; that’s like everyone from Texas, Nebraska and Missouri visiting Kansas once a year. Also in 2015, the state collected $588 million in state and local revenues from visitor activity. If this revenue stream were removed, every household in Kansas would need to provide an additional $525 per year to make up for lost revenue. Of the $588 million collected in state and local tax receipts, the state received $272 million – 68% of this revenue was state sales tax. Local governments received $316 million in tax receipts from travel-generated activity – 60% of which was property taxes, 18% was local sales taxes and 14% was bed tax (TGT).

The data also details why overnight travelers are especially important in the evaluation of travel and tourism. According to The Economic Impact of Travel in Kansas Report for 2015, only 40% of all trips in Kansas were overnight stays, but those trips accounted for 75% of all traveler spending generating $4.9 billion. On average, overnight travelers spent $347 in Kansas during their trip. The majority of Kansas travelers (60%) were day travelers. Day travelers spent, on average, $76 per day for a total of $1.6 billion.

Tourism plays a part in the overall economic health of our state. The indirect and direct benefits of the tourism industry help keep communities vital and vibrant.

Editor’s Note: The data contained in this infographic comes from the Economic Impact of Travel in Kansas Report for 2015. View the full report, as well as county-specific breakdown of visitor spending, online at www.travelks.com/industry/research-and-reports/economic-impact.