


TRAVEL BUSINESS ROUNDTABLE



A Strategic Partner to 



**Travel Industry Association
of America**

December 12, 2005

The Honorable Charles E. Grassley
Chairman
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

The Honorable Max Baucus
Ranking Member
Committee on Finance
United States Senate
219 Dirksen Senate Office Building
Washington, DC 20510

Dear Chairman Grassley and Ranking Member Baucus:

On behalf of the members of the Travel Business Roundtable and the Travel Industry Association of America, the two leading national organizations representing all segments of the \$600 billion U.S. travel and tourism industry, we are contacting you with regard to the pending tax relief for businesses affected by the recent hurricanes that swept through the Gulf Coast region.

Our industry is grateful for the assistance that is being considered to help the countless businesses that were damaged or destroyed by Hurricanes Katrina, Rita and Wilma. We have been advocating for timely assistance for these businesses, but we are dismayed by the proposal to restrict the ability of certain businesses from being able to utilize this proposed recovery assistance, specifically the gaming industry. This sector of the travel and tourism industry was ravaged, suffering loss of or damage to 18 casinos. Gaming in Gulfport and Biloxi alone generates \$911.5 million and attracts thousands of visitors to the area each year.

Travel and tourism is arguably the most significant driving force in the economies of the hurricane-affected regions. Eighteen percent of total employment affected by Hurricane Katrina – approximately 260,000 jobs – was in the travel and tourism industry. In New Orleans alone, our industry annually contributes \$158 million in state tax revenues and accounts for 44 percent of Louisiana's total tourism revenue.

In 2004, the United States hosted 46.1 million international travelers. The industry directly provided 7.3 million jobs and created a trade surplus of \$5.8 billion. In the affected regions, major travel-related industries generated \$18.3 billion in total sales. That represents about \$50 million a day. Travel and tourism is the unsung hero of our

national economy, and our businesses and our people are the economic backbone of this region.

Thank you again for your leadership on this critical issue as our industry works to reestablish New Orleans and Mississippi as key travel and tourism destinations. With your assistance to all of the companies and employees who live and work in these areas, we will overcome this tragedy and once again offer the fun, excitement and hospitality that the Gulf Coast is famous for around the world. We firmly believe that all companies and all employees should receive equal treatment under the new laws to participate in the recovery assistance programs, and we are strongly opposed to any discrimination in these new tax rules.

Yours sincerely,



Jonathan M. Tisch
Chairman
Travel Business Roundtable



Roger J. Dow
President and CEO
Travel Industry Association of America

cc: The Honorable Harry Reid, Minority Leader, U.S. Senate
The Honorable Mitch McConnell, Majority Whip, U.S. Senate
Members of the Finance Committee, U.S. Senate