

Don't Tax Tourism

Proposed by the Policy Development Committee

Conference notes:

- A. Welsh Liberal Democrats' unanimous support for the Visitor Economy at Spring Conference 2024.
- B. Continued falls in visitor numbers, revenue and overnight stays in Wales.
- C. Rising costs for tourism and hospitality businesses, including business rates, utilities, wages and National Insurance.
- D. The increase of the furnished holiday threshold to 182 days under the Non-Domestic Rating (Amendment) (Wales) Act 2024.
- E. Proposals for a Tourism Levy and Registration Bill, introducing the first tourism tax in the UK.
- F. The lack of reliable data on the number of holiday lets, bed spaces and occupancy rates in Wales.

Conference believes:

- I. Tourism and hospitality are essential to Wales's economy and local employment.
- II. The 182-day threshold is unrealistic and risks business closures and job losses.
- III. A tourism levy would harm competitiveness and may cost more to administer than it raises.
- IV. Good legislation must be evidence-based and proportionate.
- V. A national registration scheme can raise standards and improve safety.
- VI. Licensing would add unnecessary cost and bureaucracy.

Conference calls for:

- 1. Reducing the furnished holiday threshold from 182 days to 105 days, in line with HMRC guidance.
- 2. Suspending any Tourism Levy until registration is complete, the sector's true scale is known, and an independent economic impact assessment is

published.

3. Reversing proposals for a mandatory licensing regime for tourism accommodation.
4. A fair, data-driven approach that supports businesses and protects jobs across Wales.