

Los Angeles attracts tourists with its stunning beaches, year-round sunny weather and world-renowned attractions and theme parks. Award shows, major sporting events, a robust business community and conferences further bolster the attraction to this region. Tourism is a leading driver of the Los Angeles economy.



Los Angeles Tourism by the Numbers



\$



Good-paying jobs for **543,000** Angelenos

Over \$40 billion dollars in tax revenue

50 million annual visitors

Visitors Contribute to City Revenues

Through the Transient Occupancy Tax (TOT), hotels generate approximately \$300 million a year for the City's General Fund.

Tourism Provides an Economic Multiplier

Every dollar spent on an L.A. hotel room translates into an additional **\$2.12 million** in spending.

Tourism Faces Hardships Ahead

- Los Angeles' tourism industry has yet to **rebound from the pandemic**, city-wide conventions continue to fail to meet forecasted projections. In 2024, the City was projected to have 25 to 28 citywide conventions; instead the City hosted 17.
- International tourism is on track to be down 9.4% in 2025, in part because international tourism from China has been slow to return post pandemic. If places like Canada boycott the U.S., Los Angeles will lose 770,000 Canadian visitors in 2025. Political rhetoric and tariffs are also expected to depress tourism nationally.
- The Palisades and Eaton fires also negatively affected hotels, with bookings and occupancy down even more since January 2025.
- In 2024, Los Angeles hotels saw revenue losses and occupancy declines greater than the national average, the decline in occupancy of Los Angeles hotels resulted in a \$21 million dollar decline of City revenues according to the latest City budget projections.





How Do Hotel Bookings Impact the L.A. City Budget?

The hotel tax – or Transient Occupancy Tax — is a tax paid by visitors that funds City services used by Angelenos. These dollars go directly into the General Fund and help pay for core services like, **firefighters**, **police officers**, **libraries and parks**.

A decline in hotel tax dollars — the City's largest source of unrestricted funds — hurts the City's ability to provide these essential city services.

Visitors paid more than **\$300 million** in hotel guest tax during fiscal year 2023-24. That is equivalent to:





Fire

L.A.'s cost to **fight Palisades wildfire and repair damage** to City property.



Police

Salaries for **3,000 sworn police officers**.



Sanitation

Employing City staff to pick up trash, maintain sewer lines and oversee wastewater collection and treatment systems.



Libraries

Operating all of the City's 72 public libraries and programs.



Parks

Maintaining Los Angeles' **559 public parks**, including the iconic Griffith Park, senior centers, childcare centers, dog parks, beaches, lakes.



With the City of Los Angeles facing a **\$1 billion deficit**, now is <u>not</u> the time to implement policy that threatens critically needed revenue into the City offers.