Rt Hon Rachel Reeves MP
Chancellor of the Exchequer
HM Treasury, 1 Horse Guards Road
London SW1A 2HQ

20th November 2025

Dear Chancellor,

The Tourism Alliance represents the UK's leading tourism, hospitality, events, and travel organisations. I am writing to state our position plainly: The Tourism Alliance strongly opposes any proposal to introduce a tourism tax (or visitor levy) as part of the Budget. It would raise costs for domestic holidaymakers and overseas visitors, weaken the UK's competitiveness and undermine the government's target of reaching 50 million inbound visits. It would also mean that families taking domestic holidays in England will see the tax they pay rise by a combined £518 million pounds per year.

Tourism is one of the UK's most effective growth industries. In 2024, visitors generated £32.5 billion from 42.5 million trips, with 2025 forecast to rise to 44 million visits and £33.7 billion. The UK can hit 50 million if we avoid policy decisions that deter travel or inflate prices. A levy would do both.

The UK is already perceived as a high-cost destination. Air Passenger Duty, elevated accommodation prices and wider inflationary pressures mean consumers are highly price sensitive. A new charge would push up the cost of staying in Britain for UK residents as well as international visitors, risking a fall in domestic breaks and regional spending.

Operators are under substantial pressure. Recent increases in the National Living Wage, employer National Insurance, business rates and energy costs have added over £3.4 billion in annual burdens for tourism and hospitality businesses. A levy would add further strain and create new administrative obligations for businesses and local authorities.

The most effective route to higher tax receipts and regional growth is volume, not additional taxation. Imposing a visitor levy now would undermine economic objectives and damage confidence at a critical moment for the sector.

We heard from the then Tourism Minister in the House in September, and in writing earlier in the year from the then Exchequer Secretary, that you were not considering such a tax. We ask for a clear commitment that no tourism tax or visitor levy will be introduced in the Budget.

The Tourism Alliance Limited
Registered address Studio 16,
8 Battersea Park Road,
Cloisters House,
London,
SW8 4BG

Registered in England. Company No. 05106422
Chairman Emma McClarkin OBE (BBPA)

Executive Director Eddy Leviten
Email info@tourismalliance.com
Phone +44 7768 057464

The Tourism Alliance stands ready to work with HM Government on measures to increase the visitor economy, strengthen competitiveness and accelerate progress toward the 50 million target.

Yours sincerely,

Eddy Leviten, Executive Director

ABTA - The Travel Association

Association of Group Travel Organisers (AGTO)

ALVA (Association of Leading Visitor Attractions)

AirportsUK

ASAP (Association of Services Apartment Providers)

ATHE (Association for Tourism in Higher Education)

BACTA

The Bed and Breakfast Association

BBPA (British Beer and Pub Association)

British Destinations

BETA (British Educational Travel Association)

BGC (Betting and Gaming Council)

BH&HPA (British Holiday & Home Parks Association)

BIAZA (British and Irish Association of Zoos and Aquariums)

Caravan and Motorhome Club

Camping and Caravanning Club

CLA (Country Land and Business Association)

CPT (Confederation of Passenger Transport)

CTA (Coach Tourism Association)

ETOA

English UK

Heritage Alliance

Historic Houses

Heritage Railway Association

NCC (National Caravan Council)

NCTA (National Coastal Tourism Academy)

National Trails UK

National Trust

OIA (Outdoor Industries Association)

PASC UK (Professional Association of Self-Caterers)

Premier Cottages

RDO (Resort Development Association)

RHA (Road Haulage Association)

STAA (UK Short Term Accommodation Association)

Tourism For All

TMI (Tourism Management Institute)

The Tourism Society

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