



ROCKPORT
ANALYTICS

TOURISM AT WORK: THE IMPACT OF TRAVEL & TOURISM IN INDIANA

2023 Economic Impact Assessment | December 2024



The 2024 Contribution of Travel & Tourism to the Indiana Economy

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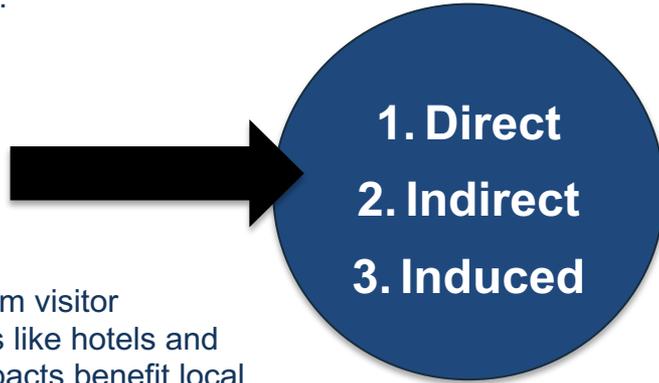
Study Overview & Methodology

Study Overview

This study, commissioned by the Indiana Destination Development Corporation, analyzes the economic impact of tourism in Indiana for 2023. Conducted by Rockport Analytics, it measures the contribution of visitors to the state's GDP, jobs, wages, and tax revenue.

Methodology

Tourism's economic impact is divided into three parts:



Direct impacts come from visitor spending on businesses like hotels and restaurants. Indirect impacts benefit local suppliers to those businesses.

Induced impacts occur as tourism wages are spent throughout the economy.

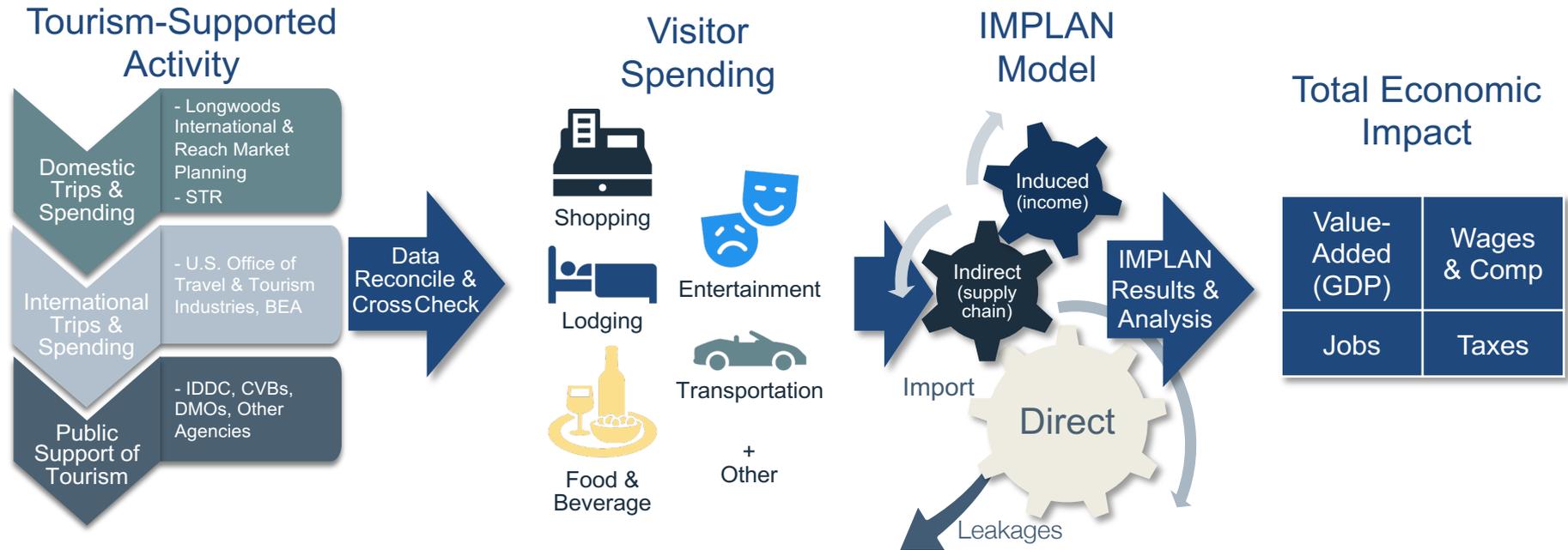
An economic model of Indiana is critical to estimating how traveler spending resounds through the state and county-level economies. Rockport Analytics has chosen the IMPLAN model for Indiana (www.implan.com), a non-proprietary economic model that has become the standard for most economic impact assessments in the United States. This model is critical to measuring the direct, indirect and induced impacts of visitation to the state.



Study Overview & Methodology

Methodology (Continued)

IMPLAN also measures how much of each tourism dollar remains in the state economy. Total traveler spending generally exceeds the direct impact of tourism. This is because not all goods and services purchased by travelers are supplied by firms located in Indiana. The IMPLAN model accounts for these import “leakages”² to suppliers located outside of the state. Generally, the more diversified a state economy, the lower are import leakages and the higher the retention and multiplier of visitor spending.





2023 ECONOMIC IMPACT OF TOURISM IN INDIANA EXECUTIVE SUMMARY & KEY FINDINGS



The Big Picture 2023: Tourism

Indiana's tourism industry achieved remarkable growth in 2023, cementing its role as a significant driver of economic vitality and job creation. Visitor spending surged by 7.0%, reaching \$16.2 billion, which contributed \$10.4 billion to Indiana's Gross State Product (GSP). This represents 2.1% of the state's economy, with tourism remaining one of Indiana's top 15 employers. Visitor activity supported over 208,500 jobs, surpassing pre-pandemic levels and reflecting a 4% increase from 2022. Wages for tourism-related roles climbed to \$4 billion, while indirect and induced employment contributed an additional \$2.4 billion in wages. For every dollar spent by visitors, 65 cents stayed in the state, further bolstering local businesses and communities.

Visitor volume grew modestly by 1.2% to 81.7 million stays, remaining just below the 2019 peak of 82.7 million. Notably, international travel led growth with a 26% increase, and business travel also saw gains of 2.3%. Spending growth was more robust, fueled by a higher average spend-per-trip. Day trips drove the largest increases in travel volume, surpassing pre-pandemic levels, while leisure travel grew by nearly 1% and overnight stays edged closer to full recovery.

Indiana's tourism sector also delivered significant benefits to federal, state and local governments, generating \$3 billion in tax revenue. This included \$1.1 billion in state taxes and \$694 million in local taxes, which alleviated tax burdens on residents by approximately \$583 per household. The revenues supported public services such as education and is enough to pay for 120,000 students or the salaries of more than 29,000 teachers, highlighting the state tourism industry's broader impact.

Indiana outpaced national recovery trends in key metrics, including domestic visitor spending and tourism GDP. However, challenges remain, such as narrowing the gap in international visitor spending and regaining the state's pre-pandemic ranking as the 12th largest tourism employer. Looking ahead, continued investment in tourism and its component industries will be vital to sustaining growth and ensuring Indiana remains a compelling destination for both domestic and international travelers.

2023 Indiana Tourism Highlights



81.7 M

Visitors

Volume Growth 1.2%

Domestic 99+% International <1%
Day 63% Overnight 37 %
Business 13% Leisure 87%



\$16.2 B

Visitor Spending

Spending Growth 7.0%

Average Spend/Trip \$198
Domestic Spend/Trip \$193
International Spend/Trip \$1,168



\$3.0 B

Total Initiated Taxes

Total Initiated Tax Growth 6.4%

Federal: \$1.3 B
State \$1.1 B
Local: \$694 M



209 K

Total Indiana Jobs Supported

(Full & Part-Time)

Employment Growth 4.1%



\$6.4 B

Total Wages & Salaries Paid

Wage Growth 5.8%



\$10.4 B

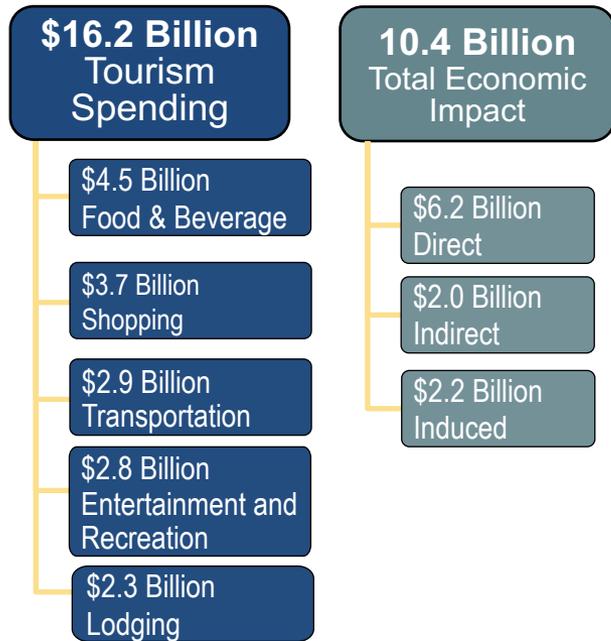
Total Economic Contribution

(Value Added)

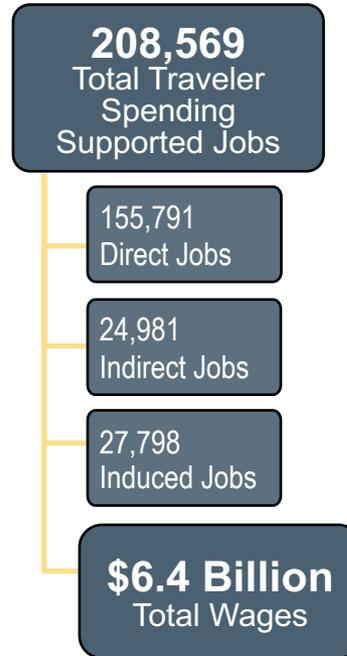
Impact Growth 5.8%

2023 Indiana Tourism Highlights

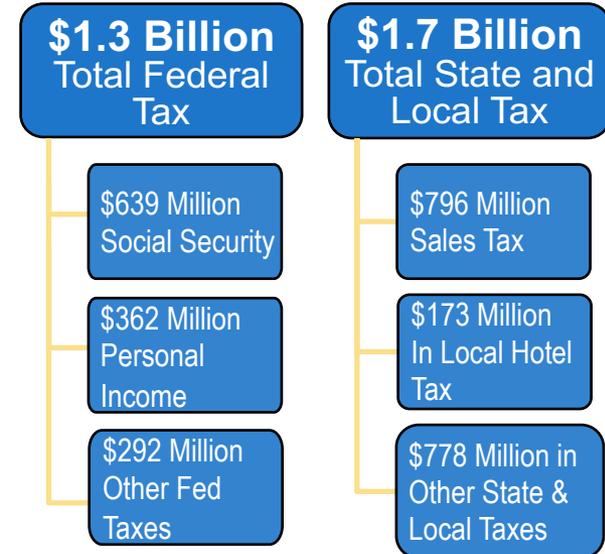
Tourism and Impact



Jobs and Wages



Tax Revenue Generated



2023 Indiana Tourism Highlights:

Key Metrics

- **Indiana's visitor volume increased 1.2% in 2023, reaching 81.7 million person-stays.** While growth has stabilized following the post-pandemic recovery surge, it remains below the 2019 peak of 82.7 million. As in the previous year, business and international travel led the gains, with visitor volumes rising 2.3% and 26%, respectively. Although international visitors represent a small fraction of Indiana's overall travel, their numbers grew significantly, outpacing the modest 1.1% increase in domestic person-stays.
- **Travel spending rose by 7.0% in 2023, totaling \$16.2 billion. Average visitor spending increased from \$170 in 2022 to \$198 in 2023.** While nominal spending surpassed pre-pandemic levels in the previous year, inflation-adjusted average visitor spending in 2023 finally matched 2019 levels at \$166. The largest spending increases were seen in transportation, food and beverage, and shopping. International visitor spending also edged closer to pre-COVID levels, falling just 2% short.
- **In 2023, the Travel & Tourism sector accounted for 2.1% of Indiana's Gross State Product, contributing \$10.4 billion to the state's economy.** Businesses directly serving visitors, such as hotels, restaurants, and entertainment venues, generated \$6.2 billion in value, while \$4.2 billion came from the tourism supply chain and other downstream industries. For every dollar spent by visitors, 65 cents stayed within the Indiana economy—40 cents supporting worker salaries and 11 cents collected as state and local taxes.
- **Tourism's impact on Indiana's economy continued to grow in 2023. The industry supported over 208,500 jobs, a 4% increase from the previous year, surpassing the pre-pandemic peak of 208,000 jobs.** Tourism employment grew at nearly three times the rate of employment growth across all industries in the state. This robust growth solidified tourism's position as the state's 13th largest industry employer, representing about 4% of all nonfarm jobs in the state.
- **Taxes generated by travel and tourism in Indiana grew 6.4% in 2023, reaching \$3 billion.** State and local tourism-related tax receipts rose 6.8%, totaling \$1.7 billion. Of this, the Indiana Department of Revenue collected \$1.1 billion, while local taxing authorities contributed \$694 million. Without the economic contributions of tourism, Indiana's 2.9 million households would each face an additional \$583 in annual state and local taxes to maintain the current level of public revenue.



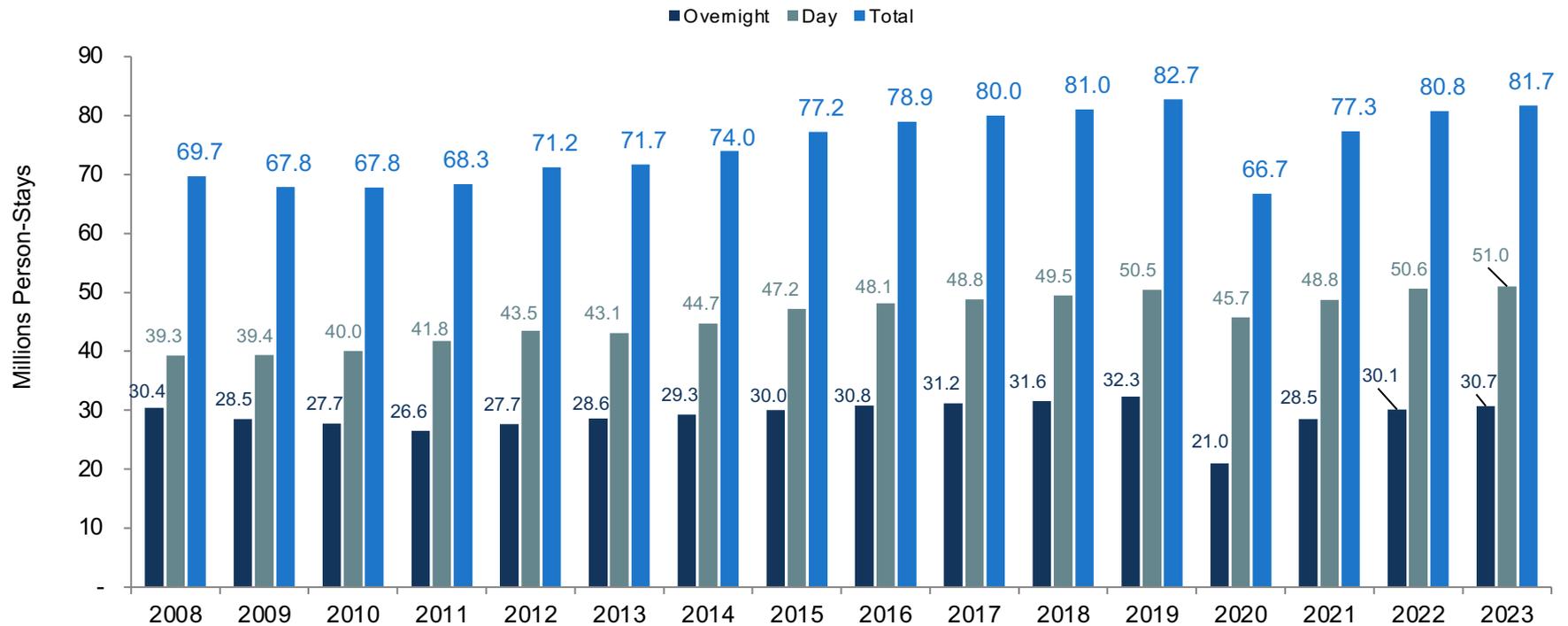
2023 ECONOMIC IMPACT OF TOURISM IN INDIANA STATE-LEVEL TOURISM PERFORMANCE



Indiana Travel Volume Growth Moderates at 1.2%, One Million Stays Below 2019 Levels

Indiana’s visitor volume grew from 80.8 million in 2022 to 81.7 million in 2023, marking a 1.2% increase. Notably, day trip visitor volume rose by 0.7%, lagging the 1.9% growth in overnight visits—following the trend from the previous year. Business travel grew 2.3%, while leisure travel grew by 0.9%. Despite nominal recovery in travel spending, total visitor volume remains about one million Person-Stays below 2019 levels.

Indiana Visitor Volume 2008 - 2023



Note: All international visitation was added into the Overnight category
 Source: Longwoods International, Reach Market Planning, NTT0, Rockport Analytics

Business¹

Business volume grew 2.3% in 2023 while the share remained the same at 13% of total volume. Business volume reached 10.6 million but remains below 2019's 12.4 million.

11M Person-Stays

2.3% Y/Y Growth

13% Share of Total



Leisure²

Leisure travel grew 0.9% in 2023, with 70.7 million person-stays. Leisure travel made up 87% of total volume.

71M Person-Stays

0.9% Y/Y Growth

87% Share of Total



¹Business trips include convention/meetings travel & transient trips.

²The business/leisure split is self-reported by survey respondents and includes both overnight & day travelers. We expect some group convention visitors to report their trips as leisure, even though they may be attending a convention

Domestic³

Domestic travel accounts for 99.5% of all visitation to Indiana. With 81 million person-stays in 2023, volume grew 1.1% over 2022.

81M Person-Stays

1.1% Y/Y Growth

99.5% Share of Total



International⁴

International travel grew 26% over 2022 levels, with 444 thousand person-stays.

444K Person-Stays

26% Y/Y Growth

0.5% Share of Total



³Domestic volume includes both day and overnight and business and leisure trips.

⁴International visitor volume includes persons from overseas as well as Canada and Mexico.

Day⁵

The share of day trips remained the same at 63% of all travel in 2023. Day trips grew 0.7% in 2023 to 51 million. Day trips have surpassed the 2019 levels of 50 million.

51M Person-Stays

0.7% Y/Y Growth

63% Share of Total



Overnight⁶

Overnight travel levels reached 31 million, growing 1.9% over 2022. Overnight volume has reached 97% of 2019 levels, which were 32.3 million.

31M Person-Stays

1.9% Y/Y Growth

37% Share of Total



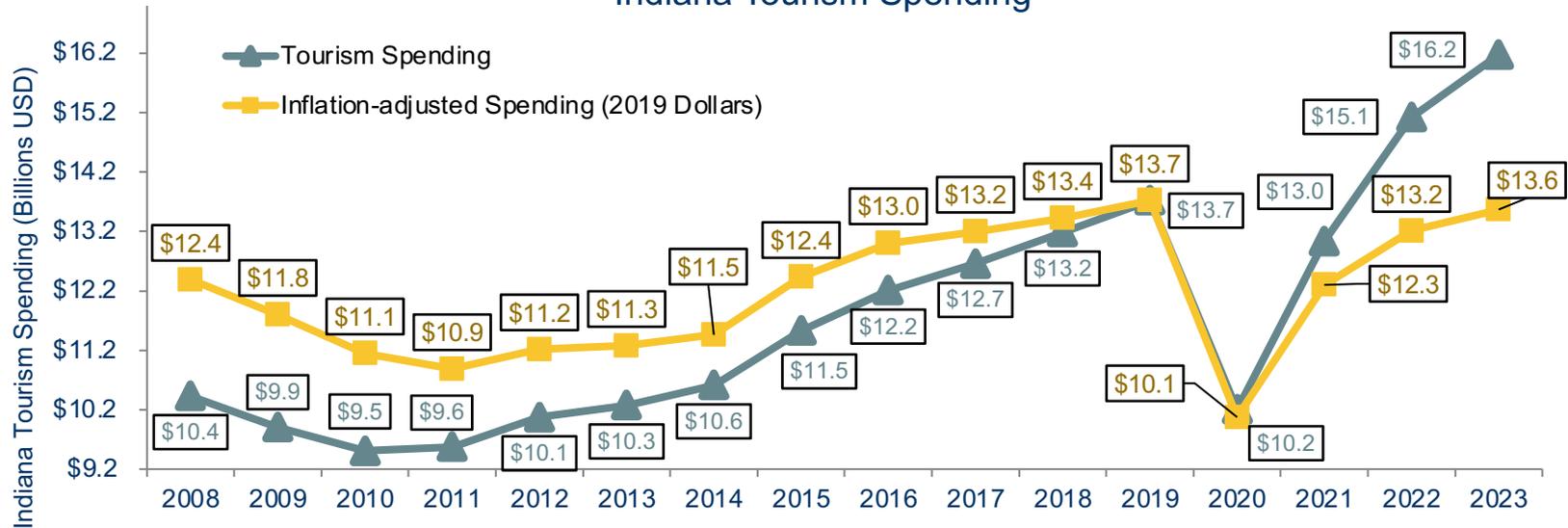
⁵Daytrips are measured as anyone who has traveled more than 50 miles one way to visit an Indiana but did not stay overnight, they include both out-of-state and in-state visitors

⁶Includes both domestic and international visitor volume

Indiana Visitor Spending Increased 7% for a Record High of \$16.2 Billion in 2023

Indiana's tourism industry experienced a record-breaking year in 2023, with visitors spending \$16.2 billion on goods and services, a 7% increase over the previous year. This surge was driven by a 5.7% increase in average spending per trip, reaching \$198. When looking at inflation-adjusted spending, however, total still trails 2019 levels by around \$151M, a 1% difference.

Indiana Tourism Spending



	2018	2019	2020	2021	2022	2023
Nominal Spending Growth Rate	4.2%	4.1%	-25.7%	27.8%	16.0%	7.0%
Real Spending Growth Rate	1.7%	2.2%	-26.6%	22.1%	7.4%	2.7%

Indiana vs U.S. Progress in Tourism Sector Recovery Toward Pre-Pandemic Levels

Both Indiana and the U.S. have fully recovered in tourism GDP, tourism employment, and domestic visitor spending, with Indiana outpacing the nation in recovery, except in tourism employment. Indiana is also close to fully returning to pre-pandemic levels in international visitor spending, falling just two percentage points short, while the U.S. remains further behind in this area.

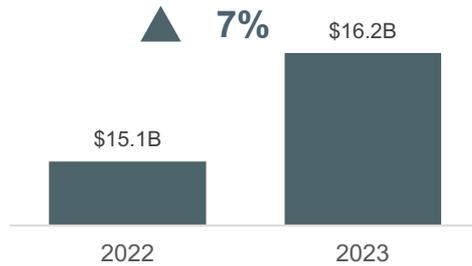
2023 Recovery Toward Pre-Pandemic (2019) Levels



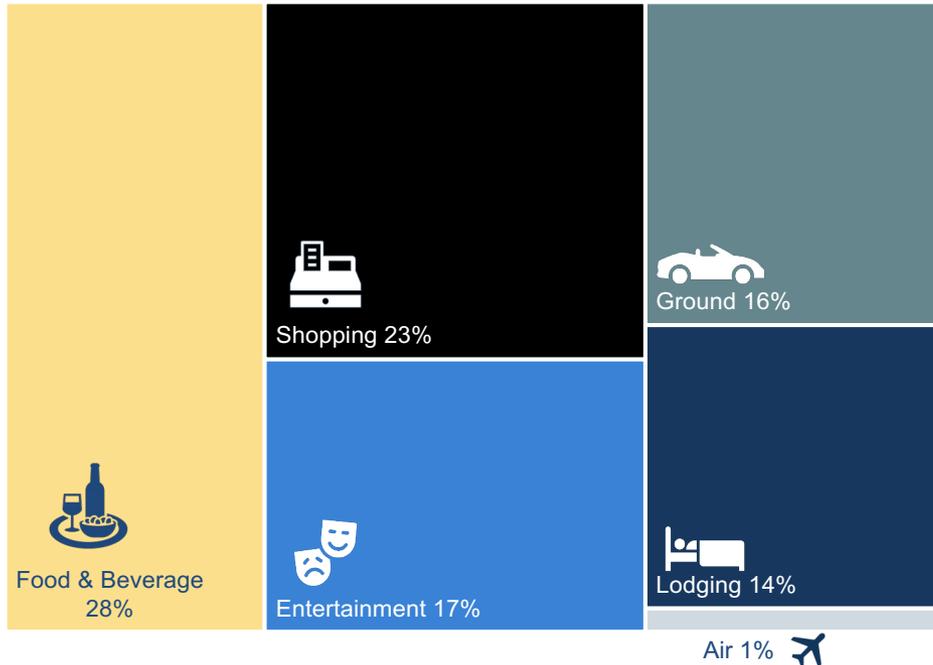
Source: Rockport Analytics, World Travel and Tourism Council (WTTC)

Indiana Visitor Spending by Category

Indiana Total Spending

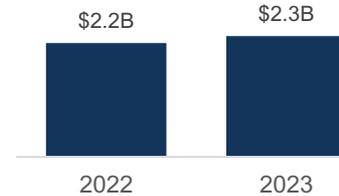


Share of 2023 Indiana Visitor Spending By Category



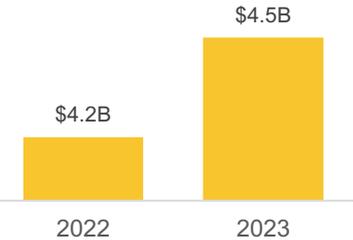
Lodging

▲ 6%



Food & Beverage

▲ 7%



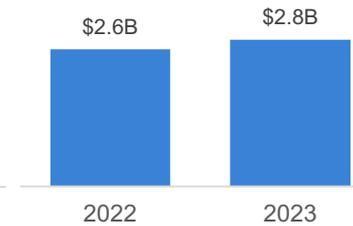
Shopping

▲ 7%



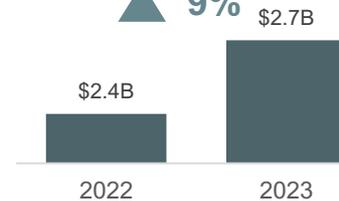
Entertainment

▲ 7%



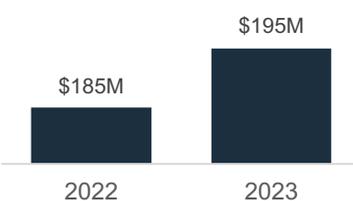
Ground Transportation

▲ 9%



Air Transportation

▲ 6%

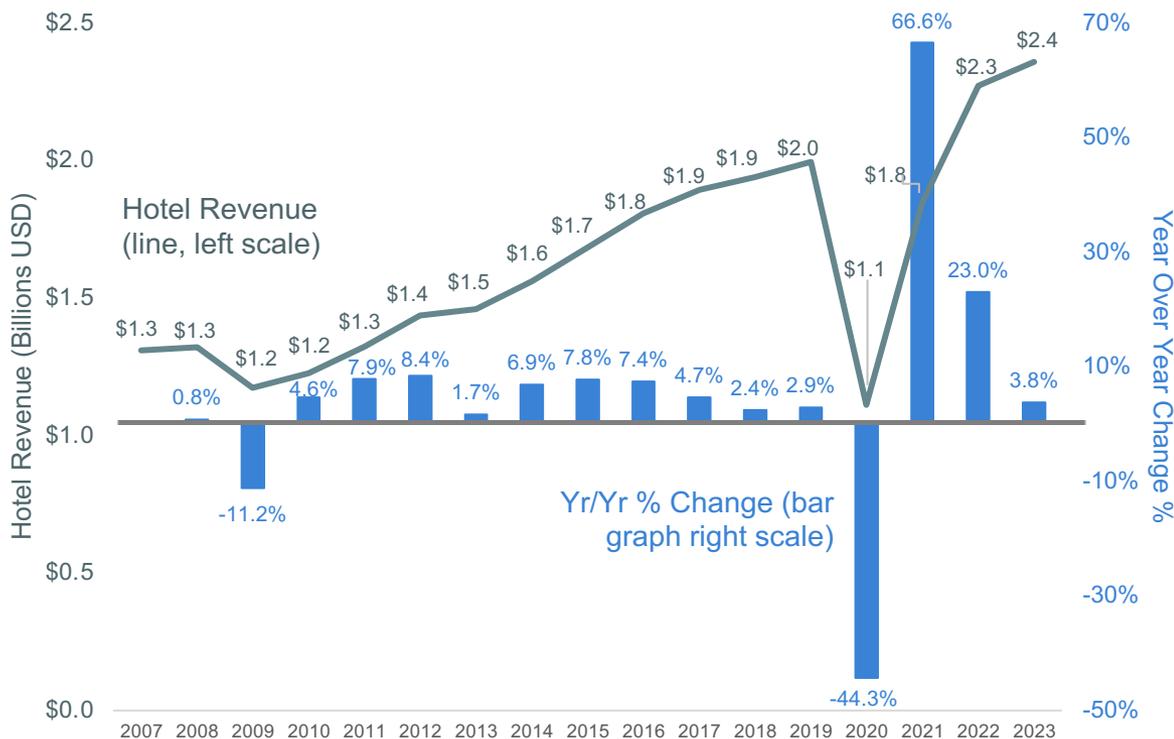


Source: Longwoods International, NTTO, Reach Market Planning, STR, BTS, AirDNA, Rockport Analytics

Surging Demand & Rates Fuel Indiana Hotel Revenue as Supply Growth Remains Subdued

Indiana hotel room revenue rose 3.8% in 2023, reaching \$2.4 billion, while revenue per available room (RevPAR) increased 3.5%. The average daily rate grew 4.5%, reaching \$117. Occupancy saw a slight decline of 0.8% in 2023, with demand decreasing 0.4% and supply edging up 0.5%.

Hotel Revenue and Percent Change Year Over Year



Hotel Metric	2023	23/22 Growth
Demand	20.9M	-0.4%
Supply	34.6M	0.5%
Occupancy	58%	-0.8%
ADR	\$117	4.5%
RevPAR	\$68.2	3.5%
Revenue	\$2.4B	3.8%



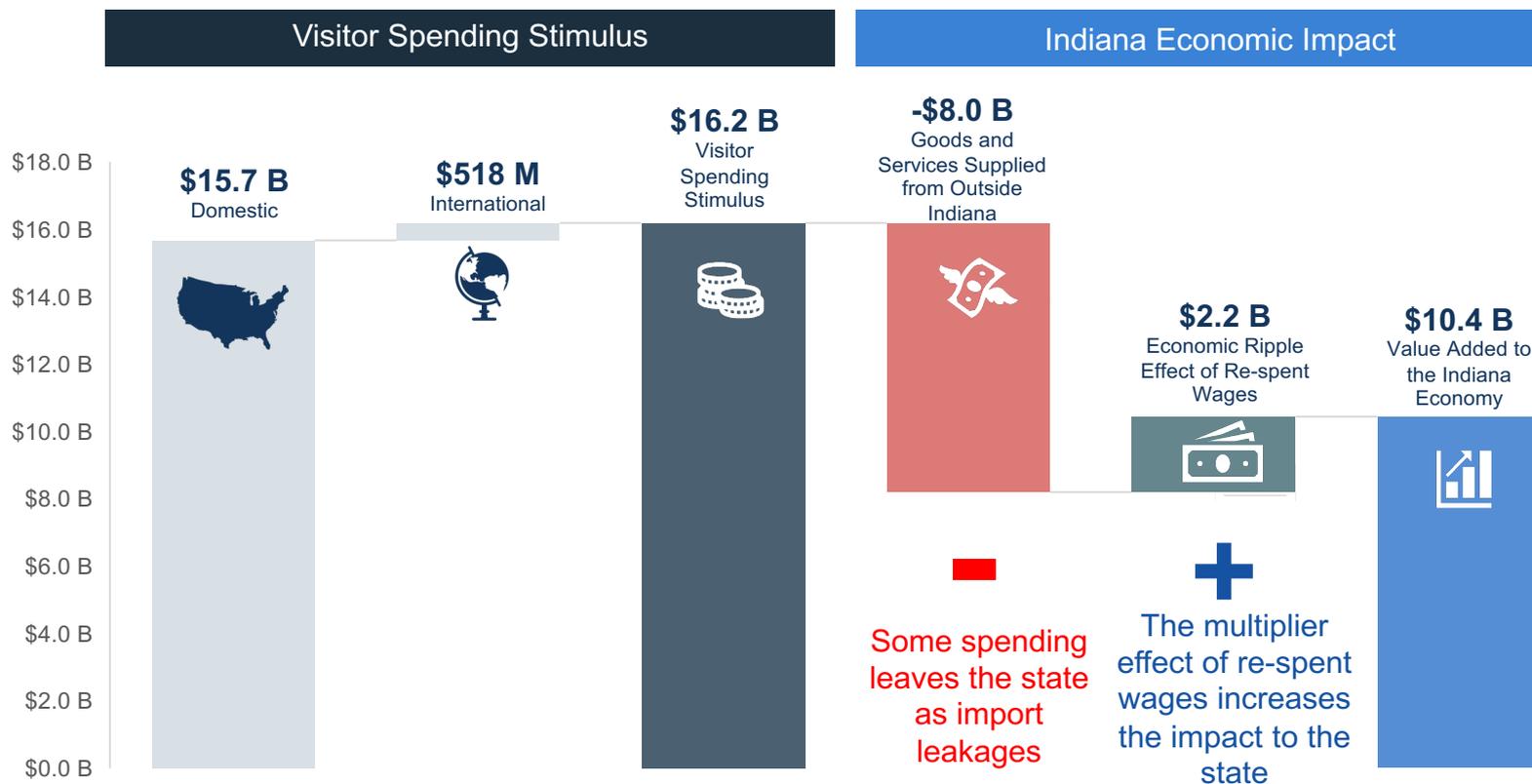
2023 ECONOMIC IMPACT OF TOURISM IN INDIANA TOURISM'S CONTRIBUTION TO THE INDIANA ECONOMY



Indiana Generates \$16.2 Billion in Visitor Spending, Resulting in \$10.4 Billion GSP Growth

In 2023, Indiana welcomed both domestic and international visitors. Domestic visitors spent a record \$15.7 billion (an increase of \$1 billion over 2022), while international visitors contributed \$518 million (an increase of \$59 million over 2022). Combined, these visitors spent \$16.2 billion in the state. Additionally, \$2.2 billion in wages earned by Indiana employees was re-spent locally.

However, not all of this money stayed in Indiana. Approximately \$8 billion was spent on goods and services sourced from outside the state. Ultimately, tourism generated a net economic impact of \$10.4 billion on Indiana's Gross State Product (GSP).

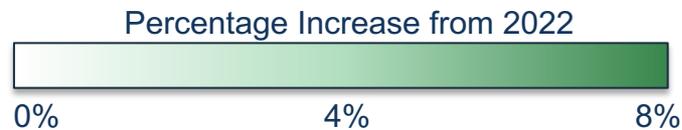


Indiana Tourism's Bottom Line

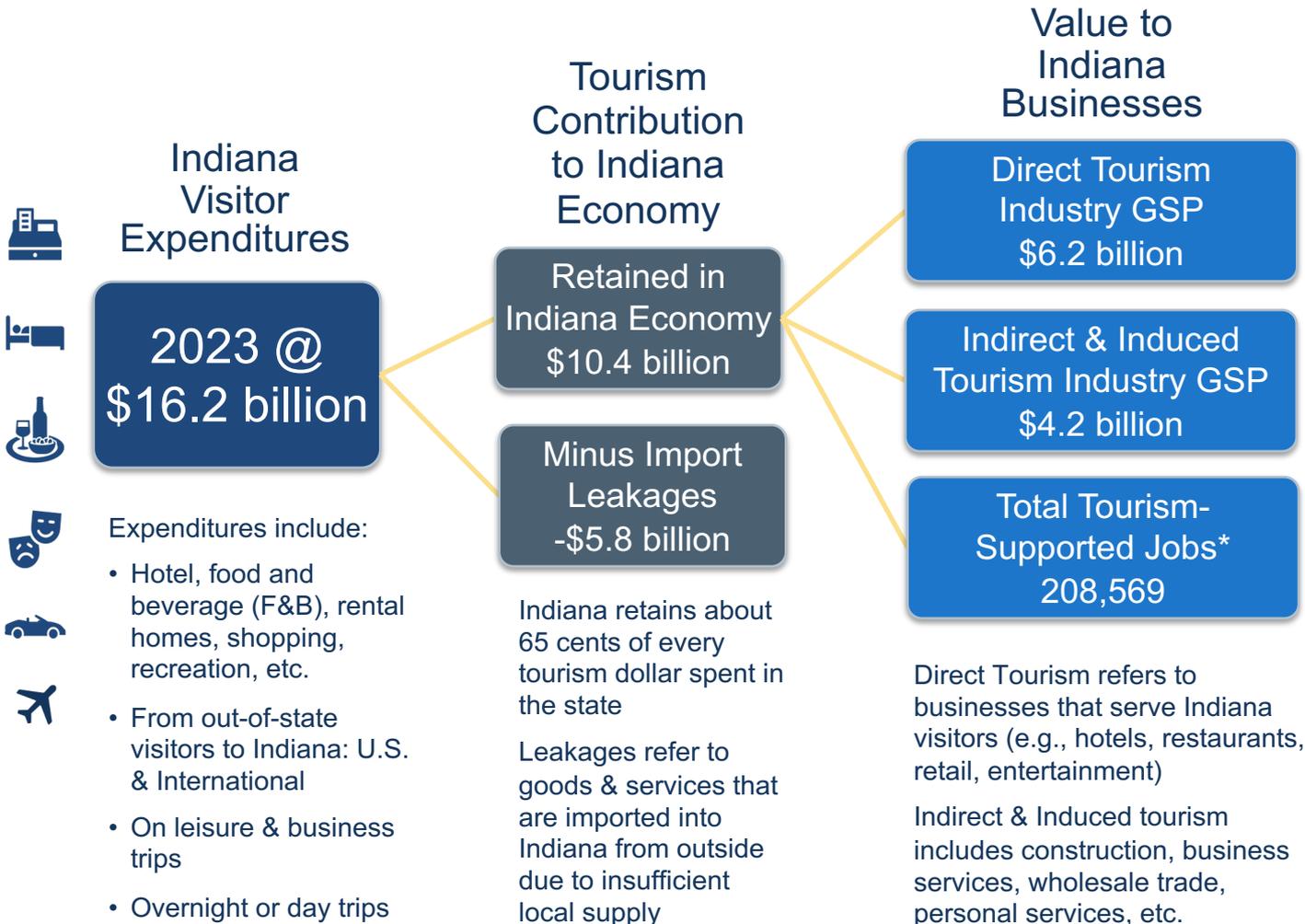
2023 Economic Impact Summary

2023 Metric	Direct	Indirect	Induced	Total	% vs. 2022	Difference from 2022
Total Visitor Volume				81.7M	1.2% ↑	1.0M
Total Tourism Spending				\$16.2B	7.0% ↑	\$1.0B
Economic Impact (GSP)	\$6.2B	\$2.0B	\$2.2B	\$10.4B	5.8% ↑	\$0.6B
Wages	\$4.0B	\$1.2B	\$1.2B	\$6.4B	5.8% ↑	\$0.4B
Jobs	155,791	24,981	27,798	208,569	4.1% ↑	8,160
Tax Receipts				\$3.0B	6.4% ↑	\$183K
Federal				\$1.3B	5.8% ↑	\$71M
State				\$1.1B	7.1% ↑	\$70M
Local				\$694M	6.5% ↑	\$42M

Sources: Longwoods International, NTTO, Reach Market Planning, STR, BTS, AirDNA, Rockport Analytics, IMPLAN



The Progression of Tourism Spending in Indiana's Economy



Indiana Tourism Contributed \$10.4 Billion to Indiana's Economy in 2023

Indiana Tourism: 2023 Economic Impact (Value Added/GSP)

Industry (NAICS)*	Direct	Indirect	Induced	Total
	<i>in thousands of dollars</i>			
Food Services & Drinking Places	\$2,079,143	\$72,999	\$108,637	\$2,260,779
Arts- Entertainment & Recreation	\$1,432,412	\$52,483	\$37,161	\$1,522,056
Retail Trade	\$913,101	\$26,256	\$293,677	\$1,233,034
Accommodations	\$962,427	\$1,380	\$876	\$964,683
Real Estate & Rental	\$128,818	\$280,819	\$488,979	\$898,616
Transportation & Warehousing	\$681,136	\$90,817	\$45,785	\$817,738
Health & Social Services	--	\$378	\$424,170	\$424,548
Professional Services	\$12,711	\$273,544	\$86,014	\$372,268
Finance & Insurance	--	\$163,153	\$193,419	\$356,572
Administrative & Waste Services	--	\$216,868	\$61,719	\$278,587
Wholesale Trade	--	\$73,641	\$119,228	\$192,869
Utilities	--	\$137,165	\$54,727	\$191,892
Other Services	--	\$86,555	\$97,740	\$184,295
Manufacturing	--	\$119,484	\$61,682	\$181,165
Information	--	\$113,455	\$59,832	\$173,288
Government & Non NAICs	\$11,904	\$95,019	\$27,977	\$134,899
Construction	--	\$75,930	\$24,565	\$100,495
Management of Companies	--	\$65,913	\$9,882	\$75,795
Educational Services	--	\$5,365	\$39,516	\$44,881
Ag, Forestry, Fish & Hunting	--	\$11,120	\$7,123	\$18,243
Mining	--	\$4,680	\$1,865	\$6,545
Total - 2023	\$6,221,652	\$1,967,053	\$2,244,668	\$10,433,373
Total - 2022	\$5,880,550	\$1,863,134	\$2,120,897	\$9,864,581
% Change	5.8%	5.6%	5.8%	5.8%

In 2023, Indiana tourism generated a total economic impact of \$10.4 billion, marking a 5.8% increase over the previous year.

Businesses serving visitors directly contributed \$6.2 billion, while related upstream and downstream businesses added another \$4.2 billion.

The food services and drinking places sector saw the largest benefit, with a gross state product (GSP) of \$2.3 billion, followed by the arts, entertainment, and recreation sector, which realized \$1.5 billion.

Indiana Tourism Was Responsible for more than 208,500 Indiana Jobs

Indiana Tourism: 2023 Economic Impact (Employment)

Industry (NAICS)*	Direct	Indirect	Induced	Total
Food Services & Drinking Places	66,730	2,343	3,487	72,556
Arts- Entertainment & Recreation	33,032	1,826	765	35,623
Retail Trade	18,381	524	5,792	24,697
Transportation & Warehousing	19,105	1,288	608	21,001
Accommodations	17,354	25	16	17,395
Administrative & Waste Services	--	4,896	1,369	6,264
Health & Social Services	--	4	6,036	6,040
Real Estate & Rental	862	2,506	1,458	4,826
Professional Services	151	3,030	971	4,151
Other Services	--	1,582	2,251	3,833
Finance & Insurance	--	1,214	1,508	2,723
Government & Non NAICs	175	992	318	1,484
Wholesale Trade	--	532	862	1,394
Information	--	1,027	362	1,389
Manufacturing	--	1,003	378	1,381
Construction	--	1,065	279	1,344
Educational Services	--	136	1,033	1,170
Management of Companies	--	511	77	588
Utilities	--	253	111	363
Ag, Forestry, Fish & Hunting	--	181	97	279
Mining	--	43	18	60
Total - 2023	155,791	24,981	27,798	208,569
Total - 2022	149,610	24,087	26,711	200,409
% change	4.1%	3.7%	4.1%	4.1%

Indiana tourism employment rose 4.1% over 2022, reaching a total of 208,569 jobs.

Direct employment also grew 4.1%, totaling 155,791 jobs, with an additional 52,779 jobs supported by related upstream and downstream businesses.

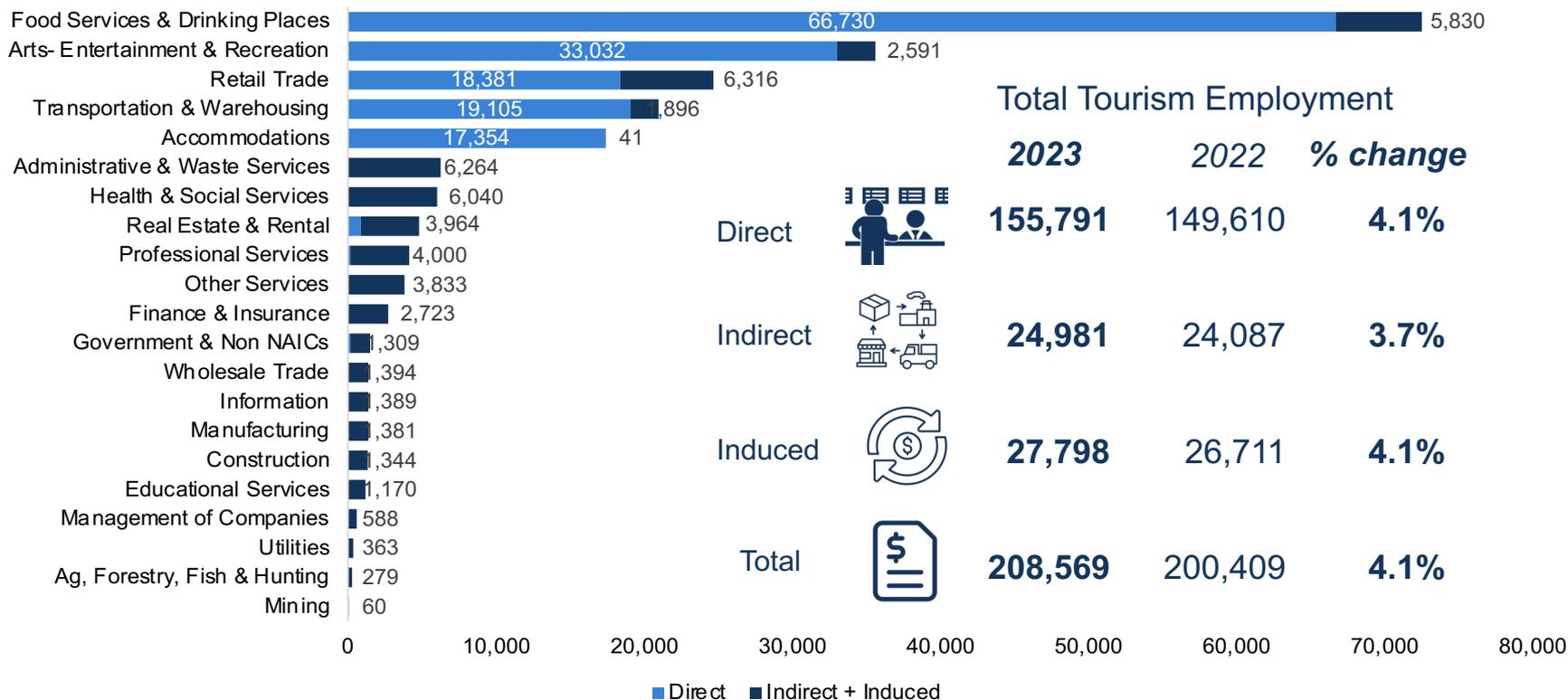
The sector supported 72,556 jobs in food services and drinking places, 35,623 jobs in arts, entertainment, and recreation, and 24,697 jobs in retail trade.

Indiana tourism was responsible for 3.8% of all Indiana non-farm jobs in 2023.

Tourism Supported Employment – Direct, Indirect, and Induced

Direct employment refers to full- and part-time workers who are employed in the tourism industry by companies that directly serve visitors. Indirect employees work for companies that supply goods and services to direct companies. Induced employment refers to workers supported by the re-spent wages of direct and supply chain employees. In industries that are largely driven by tourism (food services, entertainment, accommodations, etc.), most employees are direct employees.

Indiana Tourism: 2023 Economic Impact (Employment)



Tourism Holds Its Rank as Indiana's 13th Largest Employer in 2023

2023 Tourism in Indiana: Ranking of Major Industries By Total Employment

Rank	Industry	2023 Reported*	2023 Tourism-Extracted**	% of Total Employment	2023 % Growth
1	Manufacturing	549,544	549,544	13.3%	-1.5%
2	Health & Social Services	482,051	482,051	11.7%	4.8%
3	Government	441,937	441,762	10.7%	2.6%
4	Retail trade	393,255	374,873	9.1%	2.6%
5	Other Services	242,060	242,060	5.9%	4.0%
6	Construction	239,108	239,108	5.8%	3.9%
7	Transportation & Warehousing	257,575	238,469	5.8%	0.8%
8	Administrative & Waste Services	232,083	232,083	5.6%	-5.8%
9	Professional, scientific & tech services	221,639	221,488	5.4%	3.8%
10	Accommodation & Food Services	293,046	208,961	5.1%	12.5%
11	Real Estate & Rental	184,222	183,360	4.4%	1.1%
12	Finance & Insurance	183,264	183,264	4.4%	0.5%
13	Tourism	—	155,791	3.8%	4.1%
14	Wholesale Trade	145,543	145,543	3.5%	2.9%
15	Educational Services	92,989	92,989	2.2%	5.4%
16	Arts, Entertainment & Recreation	74,092	41,060	1.0%	7.9%
17	Management of Companies	40,111	40,111	1.0%	-2.4%
18	Information	39,641	39,641	1.0%	-0.6%
19	Utilities	13,565	13,565	0.3%	-0.2%
20	Mining	9,862	9,862	0.2%	2.7%
Total		4,135,587	4,135,587	100%	1.4%

* 2023 Reported: As released by the Bureau of Labor Statistics and the Indianapolis Department of Labor for the Indianapolis-Carmel-Anderson Metropolitan Statistical Area

** 2023 Tourism's contribution to jobs in each industry is removed and placed in "Core Tourism"

Indiana's Tourism Economy Generated Over \$6.3 Billion in Paid Wages in 2023

Wages for direct tourism workers in Indiana reached \$4.0 billion in 2023, reflecting a 5.9% increase from 2022. Additionally, employees within Indiana's tourism supply chain received \$1.2 billion in wages (indirect impact), while another \$1.2 billion in wages was generated from the re-spending of both direct and indirect tourism wages (induced impact).

Indiana Tourism: 2023 Labor Income

Industry (NAICS)*	Direct	Indirect	Induced	Total
	<i>in thousands of dollars</i>			
Food Services & Drinking Places	\$1,435,916	\$50,415	\$75,028	\$1,561,359
Arts- Entertainment & Recreation	\$817,600	\$49,669	\$21,389	\$888,658
Retail Trade	\$526,383	\$16,964	\$188,525	\$731,871
Transportation & Warehousing	\$539,113	\$65,555	\$32,907	\$637,575
Accommodations	\$551,932	\$792	\$503	\$553,226
Health & Social Services	\$0	\$257	\$382,561	\$382,818
Professional Services	\$7,571	\$202,906	\$63,571	\$274,048
Administrative & Waste Services	\$0	\$175,941	\$49,665	\$225,605
Other Services	\$0	\$79,613	\$90,638	\$170,251
Finance & Insurance	\$0	\$75,974	\$87,726	\$163,700
Real Estate & Rental	\$65,041	\$42,934	\$26,509	\$134,484
Government & Non NAICS	\$7,206	\$86,299	\$22,679	\$116,185
Wholesale Trade	\$0	\$42,486	\$68,787	\$111,274
Manufacturing	\$0	\$68,036	\$29,781	\$97,817
Construction	\$0	\$70,308	\$17,819	\$88,127
Information	\$0	\$64,451	\$22,883	\$87,335
Management of Companies	\$0	\$57,166	\$8,571	\$65,737
Utilities	\$0	\$35,331	\$14,766	\$50,097
Educational Services	\$0	\$3,978	\$35,385	\$39,362
Ag, Forestry, Fish & Hunting	\$0	\$4,885	\$3,405	\$8,290
Mining	\$0	\$1,939	\$772	\$2,711
Total - 2023	\$3,950,763	\$1,195,923	\$1,243,944	\$6,390,629
Total - 2022	\$3,729,814	\$1,132,988	\$1,175,354	\$6,038,157
% Change	5.9%	5.6%	5.8%	5.8%

Sources: IMPLAN, Rockport Analytics

* North American Industrial Classification System (NAICS). For specific industry definitions, see www.census.gov

Overall Tax Revenues Supported by IN Tourism Grew By Over 6% in 2023

Total tax revenue generated by Indiana tourism increased from \$2.8 billion in 2022 to \$3.0 billion in 2023. Federal taxes grew 5.8% in 2023 to \$1.3 billion, state taxes increased 7.1% to \$1.1 billion, and local taxes grew 6.5% to \$694 million.

	2022	2023	% Growth
<i>in thousands of dollars</i>			
Federal:			
Corporate Income	\$170,095	\$179,645	5.6%
Personal Income	\$342,069	\$362,049	5.8%
Excise & Fees	\$106,428	\$112,541	5.7%
Social Security & Other Taxes	\$603,949	\$639,008	5.8%
Federal Total	\$1,222,541	\$1,293,243	5.8%
State:			
Corporate Income	\$24,045	\$25,395	5.6%
Personal Income	\$114,551	\$121,242	5.8%
Social Insurance Taxes	\$6,155	\$6,511	5.8%
Other Business Taxes	\$39,747	\$42,036	5.8%
Excise & Fees	\$50,796	\$54,151	6.6%
Rental Car Excise	\$7,559	\$8,237	9.0%
Sales Taxes	\$746,167	\$796,273	7.4%
Indiana Total	\$989,021	\$1,053,845	7.1%
Local:			
Personal Income	\$16,364	\$17,320	5.8%
Hotel Tax	\$160,373	\$173,454	8.3%
Admission Taxes	\$1,457	\$1,854	27.2%
Property Taxes	\$430,039	\$454,739	5.7%
Rental Car	\$3,817	\$3,984	5.5%
Food & Beverage	\$33,435	\$36,009	7.7%
Other Licenses, Fines & Fees	\$6,096	\$6,449	5.8%
Local Total	\$651,541	\$693,810	6.5%
Total Indiana Tourism-Initiated Taxes	\$2,858,258	\$3,040,898	6.4%

Sources: IMPLAN, Rockport Analytics

Note: The innkeeper's tax figure is sourced from the Indiana Handbook of Taxes, Revenues, and Appropriations for Fiscal Year 2023. It may not accurately reflect actual collections, as reported by each county's treasurer

Tourism Drives
Significant Revenue
for Both **State** and
Local Governments

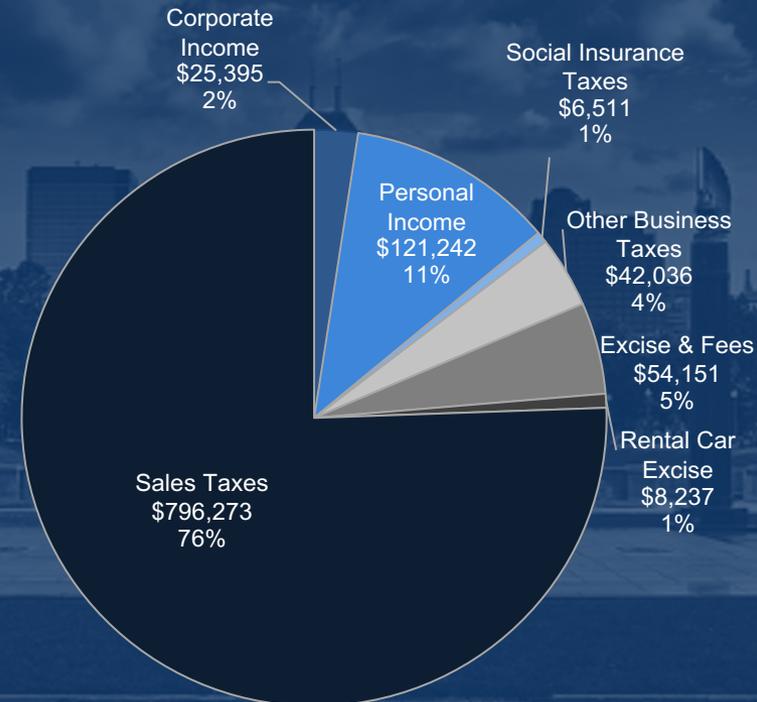
\$1.1 Billion
State Taxes

\$694 Million
Local Taxes

Sales Taxes Account for More than Three-Quarters of the \$1.1 Billion in State Taxes

Tourism generated \$1.1 billion in state taxes in 2023, with sales taxes accounting for more than three-quarters of this amount, totaling nearly \$800 million.

2023 State Tax Sources Total = \$1.1 Billion

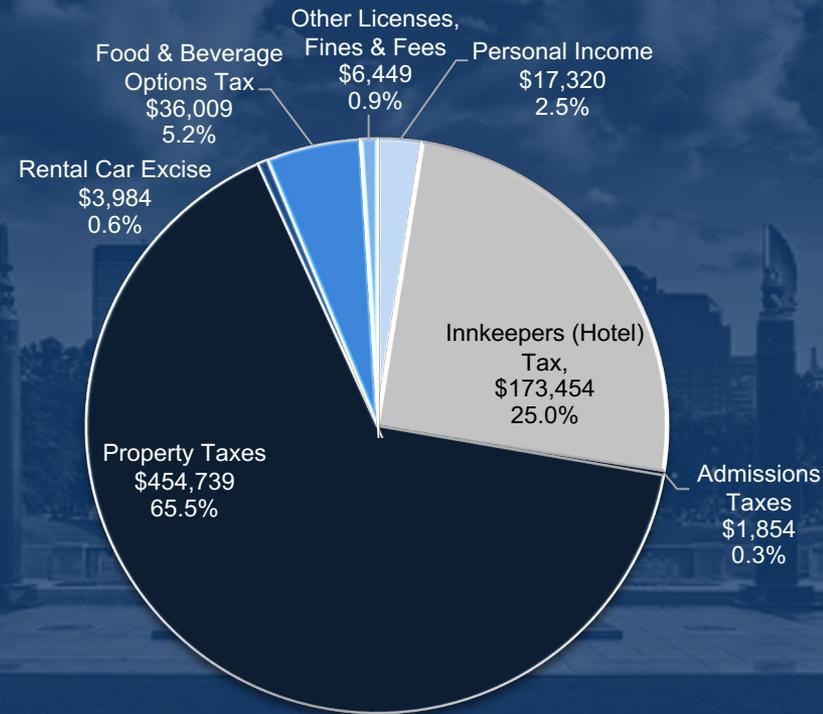


Sources: IMPLAN, Indiana Department of Revenue, Rockport Analytics

Property Taxes Accounted for nearly Two-Thirds of the \$694 Million in Local Taxes

In 2023, local taxes collected reached close to \$694 million, with property taxes accounting for nearly two-thirds of the total collections generated by visitors. Additionally, \$173 million in innkeeper's taxes were collected across all Indiana counties.

2023 Local Tax Sources
Total = \$694 Million



Sources: IMPLAN, Indiana Department of Revenue, Rockport Analytics



2023 ECONOMIC IMPACT OF TOURISM IN INDIANA TOURISM'S CONTRIBUTION TO THE INDIANA ECONOMY



Putting the Benefits of Indiana Tourism in Perspective



Tourism Effects on the Job Market

Indiana tourism was responsible for 3.8% of all Indiana non-farm jobs. In 2023, tourism remained the 13th largest employer in Indiana, still short of 2019's 12th largest position.

Wages grew 5.8% in 2023, and the average wage of both full- and part-time workers supported by tourism activity grew 1.7% to \$30,600.



Benefiting Indiana Businesses

Visitors spent \$16.2 billion in travel-related expenses, benefiting a broad array of IN businesses.

In 2023, Indiana businesses that directly served visitors saw value-added of \$6.2 billion, up 5.8% from 2022.

Indiana's tourism supply chain businesses accumulated value-added of \$2.0 billion in 2023, an increase of 5.6%.



Contributing to Public Education & Other Government Services

Tourism-supported state & local taxes were enough to educate over 120,000 Indiana public school students, which is 11.7% of total enrollment.

Tax collections were enough to support more than 29,300 public school teachers.



Capturing and Retaining Dollars Spent by Visitors

For every \$1 spent by visitors in Indiana, the state's economy retained 65 cents.

Forty cents of each dollar went to pay Indiana workers nearly \$6.4 billion in wages and salaries.

Of each visitor dollar spent, 11 cents went towards paying Indiana state and local taxes.



Helping to Relieve the Tax Burden of Indiana Households

Without tourism, Indiana's 2.92 million households would each have to pay \$583 more in state and local taxes to maintain current levels of receipts.

The total economic impact generated by visitors to Indiana (\$10.4 billion) represents 2.1% of Indiana's GSP.



Providing Tax Revenue to Support Local State & Local Government

Indiana tourism contributed \$1.7 billion in tax revenue to state and local collections in 2023. These taxes could pay for over 24,000 probationary troopers.

Transaction taxes paid by visitors like hotel taxes, food & beverage, admissions, and rental car taxes raised more than \$215 million in local taxes, making up 31.0% of tourism-supported local tax collections.

Glossary of Key Terms

- **Visitor** – Someone who has either stayed overnight (regardless of origin) or traveled a distance of at least 50 miles one way during a day trip.
- **Value Added (or GDP)** – Refers to the total spending in an economy net of any leakages outside the state. The total spending reflects the difference between revenues and expenses on intermediate inputs.
- **Employment** – Total employment is an annual average that accounts for seasonality and it refers to full-time, part-time, seasonal and self-employed workers.
- **Wages** – Wages reflect the combined cost of total payroll paid to employees (e.g., wages, salaries, benefits, payroll taxes) and payments received by self-employed individuals and/or unincorporated business owners.
- **Direct Impact** – Benefit that accrues to those Indiana businesses that directly serve visitors to all parts of the states by providing good and services.
- **Indirect Impact** – Benefit to the many local upstream firms that make up the supply chain of direct businesses.
- **Induced Impact** – Both direct and supply chain businesses pay wages to their workers. Most of the wages paid to local employees will be spent in Indiana throughout the year at businesses that provide a broad range of consumer goods and services. This impact is sometimes referred to as the “ripple effect”.
- **Leakages** – The portion of gross spending that leaves the Indiana economy: (1) as profits to non-Indiana headquartered businesses, (2) because of unavailable or insufficient local supply, (3) non-local vendor choice, and/or (4) from reduced downstream spending caused by savings, debt reduction, or excess inventories.



About Rockport Analytics

Rockport Analytics is a research and analytical consulting firm providing high quality quantitative and qualitative research solutions to business, government, and non-profit organization clients across the globe. We provide fast, nimble service in a completely transparent environment.

Capabilities include:

- Market Analysis and Forecasting
- Economic Impact Assessment, Tourism Satellite Accounting, and Economic Development
- Market Modeling and Decision Support Tools
- Project Feasibility Assessment
- Primary and Secondary Research Synthesis
- Stakeholder Surveys – internal & external



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