

ABOUT THE OPPORTUNITY OF TOURIST TAXES: THE CASE OF SEVILLE

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Since France established the first *taxe de séjour* in the early 20th century, tourist taxes have proliferated around the world, especially in recent decades in different forms. Numerous papers have showcased the interest in this very controversial and newsworthy subject of study (Abeyratne, 1993; Bird, 1992; Bokobo, 1999; ETOA, 2016; Fish, 1982; Font, 2012; Franco, 1996; Gooroochurn & Thea, 2005; Hall, 2008; Gago et al, 2009; Jensen & Wanhill, 2002; Piga, 2003; Shen & Tsui, 2009; OMT, 1998), from the standpoints of economy and law as well as geography and tourism.

The recurrent debate about fees in tourism, especially the most common one, charged for overnight hotel stays, should nowadays be framed not just from the collection standpoint but also with respect to multiple factors transversal in nature, like almost everything in tourism viewed as destination. Is the tourist tax really a useful tool for sustainability? And what sustainability are we talking about, just environmental or also economic, or only as a contribution to promoting the place through municipal coffers...?

Three points should contextualise the corresponding reflection, on empirical bases (we shall consider the case of Seville), to draw conclusions about whether it is opportune to tax tourism. Or rather four, because the first is general and stems from the euro crisis in 2008 and the depreciation of progressive tax policies in general, in order to in any case raise taxes and regressive levies such as value added tax (VAT). This is where tourist taxes are found: tourists pay the same without taking their acquisition capacity into account. In some places it is only differentiated on the basis of quality vis-à-vis hotel stars.

In second place, the current pro-cyclical context in tourism abounds in mature destinations, with more than proven evidence of saturated supply. Tourism taxation would alleviate local discomfort with respect to the sector cited by undertaking to penalise that saturation and implementing actions to improve tourism's impact on residents as well as more selective marketing of the destination. Paradigmatic cases are those of Amsterdam or Venice, and more recently and much closer, Barcelona.

In third place, we must not forget the boom in tourist accommodations and tourism residences (TRs) that are unregulated or recently regulated in the case of Seville (by means of Decree 28/2016 of 2 February on residences for tourism purposes, backed by Law 13/2011 of 23 December of Tourism of Andalusia), and the perception by the hotel world's diverse levels of negative discrimination in tax pressure, planning and tourism-related inspections, above all during the process of exiting the economic crisis, and an enhanced role of influencers of digital mediation and low-cost (for individual tourism).

Finally, in fourth place, few economic sectors benefit from public promotion as tourism does through the funds for marketing the tourism destination. The private tourism sector is nevertheless very reluctant to collaborate or return income for such policies, and even less to actively and financially cooperate in activities or events (expand Seville's April Fair on weekends, for example) or in public works with a clearly tourism-related component. In the following pages we shall consider whether the tourism tax is opportune, with Seville as an example. Emphasis will be placed on situating the respective debate in the more current context of tourism territories in the process of overtopping their load capacity. As indicated, alarming signs of tourism dysfunctions and cases of non-sustainability are beginning to appear in urban destinations, an unmistakable indication of future problems. It seems increasingly obvious that a bubble is occurring, both hotel-related, based on the interest of more aggressive investment funds, and residential-related, with proliferation in certain neighbourhoods of very profitable tourism residences with little or no tax contribution. Clandestineness and unfair competition versus strongly regulated subsectors generate social and economic bad feeling. Lest we forget, the public sector provides security, transportation and services to all those tourists (regardless of contracted lodging), besides the urban landscape, in most cases in exchange for a tax or VAT, for apartments, at the lowest existing rate: zero.

It is an obvious fact that the number of countries that tax international tourism activity has been increasing every year by means of different formulas, names (taxes, fees or contributions) and amounts. This paper sets out in general the three models most currently used in tourism destinations, irrespective of whether they are urban or coastal. We do, however, particularly examine taxes on overnight stays, directly charged to tourists lodged in hotel establishments. These are the most widespread in Europe, especially in consolidated urban destinations. Such occurs in the case study at hand, on the city of Seville, which has recently positioned itself as one of the most competitive destinations in Spain, in light of the latest figures on demand.

The overall aim of this study is to find out whether it is possible in a tourism destination like Seville to introduce in the short term a tax charge for tourist accommodations; whether the tourism system that underpins it is prepared, and also the perception of demand with respect to same. We thus considered it especially important to use primary sources. The methodology therefore comprises interviews and surveys (14 and 100, respectively). The former involved privileged informers and stakeholders, representatives of the Seville tourism sector who, owing to their professional careers, nowadays play a vital role in the city's tourism policy and decision-making, either due to their knowledge of incoming tourism and tourism demand preferences, or by carrying out advisory, mediation and marketing work, or through their dealings with tourists, and in

other cases due to their experience in drawing up strategy documents and in planning at different spatial scales. All of them pertain to different tourism subsectors, in both the public and private sectors (hotels, travel agencies, technical consultancies and political representatives, among others).

On a parallel basis a questionnaire served to identify the opinion of tourists who visit the city. Along with their knowledge about tourist taxes and how that would affect their destination preferences, it is interesting to analyse how they evaluate them. To do that a sampling of 100 tourists was chosen (50% national, 50% international). This was all conducted throughout the tourism year 2017.

After the fieldwork and in light of the results of this research, the taxes' introduction does not seem to be imminent in the city.

On the one hand, in the short term the demand does not seem worried about the possibility of paying the tax. However, what is derived from the professional opinions is that the tax might lead to damage in the destination in the middle and long term, eventually harming both the hotel sector and local businesses. The data obtained in both cases (supply/demand) have made us reflect about the convenience of conducting a more in-depth study with a broader sampling of tourists and even of residents.

For the time being, and insisting on the results, the necessary consensus does not exist, neither in the tourism sector nor at political level (local/regional). It does not seem to be a priority. And it is not, because it does not generate confidence among hoteliers, who see unfair competition as their main enemy. It is not, perhaps because in major international urban destinations such taxes coexist with eco-labels and other quality certifications that have been unable to halt mass tourism or its collateral damage, ever higher for residents (associated to gentrification processes and even tourism-phobia). Likewise it is not, because our top national destinations show signs of evident weakness that endanger a seemingly successful model in our country. And nowadays they are not the mirror where Seville wants to look, nor is it the destination image it wants reflect in its search for properly understood quality tourism. On the other hand, such taxes have not shown themselves to be any guarantee of qualification, neither in the destinations nor in their tourists.

In conclusion to this research, what is a priority for the city is to respond quickly to the new challenges put forward by increasingly young and international demand with low-cost preferences and manners; and most especially to the disorderly growth of the supply of accommodations intermediated by P2P platforms and particularly TRs. And to do this responsibly with respect to standards and indicators of territorial sustainability and quality with bearing on the tourism destination. Because, actually, tourism sustainability understood to mean economic and environmental opportunity for residents and non-residents has become a key aim for the sector's own development. And in that sense, tourist taxes do not necessarily contribute in that role, although, as in all public/private relationships, they can act as an element of confidence if managed for an agreed and well-defined ultimate objective. The arrangements for *ex novo* collection of the tourist tax are part of the costs that must be accounted for.

In Seville, to anticipate unwanted occurrences, it would be appropriate for tourism taxation processes to be directed toward the strategic aim of sustainability. In the last three years the city has grown at a compounded interest pace of 10% in overnight stays.

In 2016 there were 50% more than in 2010. If this is not a boom it seems a lot like one. In other words, it took fifteen years to rise from three to four million overnight stays and only three to rise from four to five million. This is precisely the place for the tourist tax, but also for renewing its inherent concept, so it can also be applied to tourism residences and people on excursions or not staying overnight. Hotel and restaurant owners along with agencies handling incoming tourists or with complementary offerings, and, why not, businesses dedicated to tourists, should collaborate on reworking the tax. We believe it is not acceptable for the hotel sector to bear the entire burden.

In short, to readjust the saturation processes, tourism taxation should be based on non-resident consumption by applying it in tourism services, beyond just hotel lodging. The case of Seville can be an excellent laboratory if mechanisms for public/private collaboration are set in motion and end-purpose actions developed to improve the urban landscape and the comfort of those who live here as well as those who do not.