



COVERSHEET

Minister	Hon Matt Doocey	Portfolio	Tourism and Hospitality
Title of Cabinet paper	Final Decisions on the International Visitor Conservation and Tourism Levy Amount	Date to be published	9 September 2024

List of documents that have been proactively released

Date	Title	Author
July 2024	Final Decisions on the International Visitor Conservation and Tourism Levy Amount	Office of the Minister for Tourism and Hospitality
29 July 2024	Final Decisions on the International Visitor Conservation and Tourism CAB-24-MIN-0274 Minute	Cabinet Office
17 July 2024	Cost Recovery Impact Statement: Review of the International Visitor Conservation and Tourism Levy	MBIE
17 July 2024	2425-0330 Approval of Cabinet paper Final Decisions on the International Visitor Conservation and Tourism Levy Amount for lodgement	MBIE
1 July 2024	2324-3970 Ministerial Consultation on International Visitor Conservation and Tourism Levy Final Proposed Changes	MBIE
20 June 2024	2324-3462 Policy decisions for the International Visitor Conservation and Tourism Levy 2024 – outcome of consultation and next steps	MBIE

Information redacted

YES / NO

Any information redacted in this document is redacted in accordance with MBIE's policy on Proactive Release and is labelled with the reason for redaction. This may include information that would be redacted if this information was requested under Official Information Act 1982. Where this is the case, the reasons for withholding information are listed below. Where information has been withheld, no public interest has been identified that would outweigh the reasons for withholding it.

Some information has been withheld for the reasons of confidential advice to government; legal professional privilege; free and frank opinions; confidential information entrusted to the government; and privacy of natural persons.



Cabinet

Minute of Decision

This document contains information for the New Zealand Cabinet. It must be treated in confidence and handled in accordance with any security classification, or other endorsement. The information can only be released, including under the Official Information Act 1982, by persons with the appropriate authority.

Final Decisions on the International Visitor Conservation and Tourism Levy Amount

Portfolios **Conservation / Tourism and Hospitality**

On 29 July 2024, following reference from the Cabinet Economic Policy Committee, Cabinet:

- 1 **noted** that the International Visitor Conservation and Tourism Levy provides an opportunity to effectively price the costs of tourism into the visitor experience;
- 2 **noted** that the International Visitor Conservation and Tourism Levy is hypothecated for Tourism and Conservation and is currently the only available funding tool in the Tourism portfolio;
- 3 **noted** that in April 2024, the Cabinet Business Committee agreed to public consultation on the International Visitor Conservation and Tourism Levy [CBC-24-MIN-0019];
- 4 **noted** that due to the International Visitor Conservation and Tourism Levy review coinciding with the Budget 2024 process and the likelihood of an increase to the levy, the fiscal forecasts were updated through the Budget 2024 process as a placeholder;
- 5 **noted** that while no decisions had been made, Budget 2024 used an indicative revenue amount to reflect the mid-point of the agreed range of options included for public consultation – equivalent to an additional \$70 million of annual revenue from the 2025/26 financial year onwards;
- 6 **noted** that consultation on the International Visitor Conservation and Tourism Levy has concluded and over 93 percent of submissions were in support of an increase;
- 7 **noted** that 66 percent of submitters supported an increase to \$100, however some concerns were raised by aviation industry stakeholders and key tourism organisations;
- 8 **agreed** that the International Visitor Conservation and Tourism Levy be increased to \$100 per eligible person and that the increase take effect on 1 October 2024;
- 9 **noted** that an increase in the International Visitor Conservation and Tourism Levy amount to \$100 will generate an additional \$149 million per annum based on 2019 figures;
- 10 **directed** officials from the Ministry of Business, Innovation and Employment, Department of Conservation and the Treasury to report back to the Minister of Finance, the Minister for Arts, Culture and Heritage, the Minister of Conservation, and the Minister for Tourism and Hospitality on spending decisions;

Drafting instructions

- 11 **invited** the Minister for Tourism and Hospitality to issue drafting instructions to the Parliamentary Counsel Office in accordance with the decision in paragraph 8 above.

Rachel Hayward
Secretary of the Cabinet