Hospitality and Tourism’s Role in the Chattanooga Area Economy

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Source: TN Dept. of Tourist Dev.; Tourism Institute, University of Tennessee
Hamilton Co. Rank of Industries by Employment Percent, 2006

1. Retail-Wholesale Trade, Transp., & Utilities 29.0%
2. Manufacturing 14.9%
3. Professional & Bus. Services 14.0%
4. Education & Health Services 11.3%
5. Hotel, Restaurant, Tourism 11.1%
6. Financial Activities 9.4%
7. Construction

Source: TN Dept. of Labor & Workforce Dev.
Hamilton Co. is the 5th Largest County in TN for Tourist Spending, (2006)

1. Davidson Co. (Nashville) $3.81 Billion
2. Shelby Co. (Memphis) $2.85 Billion
3. Sevier Co. $1.40 Billion
4. Knox Co. $739.3 Million
5. Hamilton Co. (Chattanooga)
6. Blount Co. $254.2 Million
7. Williamson Co. $233.9 Million
8. Rutherford Co. $215.8 Million
9. Sullivan Co. (Kingsport) $258.5 Million
10. Washington Co. $176.6 Million

Source: TN Dept. of Tourist Dev.
(from top 5 tourist expenditure counties in TN)

1. Davidson Co. (Nashville) +18.1%
2. Sevier Co. +16.3%
3. Shelby Co. (Memphis) + 16.0%
4. Knox Co. + 15.9%
5. Hamilton Co. (Chattanooga) + 14.4%

Source: TN Dept. of Tourist Dev. & UT Tourism Institute
Hamilton Co. Hospitality & Tourism Generated 18,632 Jobs Including...

- **14,762** employees in restaurants
- **2,078** employees in attractions, entertainment & recreation
- **1,645** employees in hotels & lodging
- **147** employees in travel reserv.

Source: TN Dept. of Labor & Workforce Dev. (2005)
Hamilton Co. generated $688 million in tourist spending in 2006

• How much do tourists spend per day in Hamilton Co.?

• Where do they spend it?
On an Average Day in Hamilton Co., tourists spend $1.89 million in these type businesses...

- Spend $603,410 in restaurants & food service
- Spend $543,069 on transportation
- Spend $322,447 daily on hotels & lodging
- Spend $213,079 daily on retail trade
- Spend $203,651 daily on attractions & entertainment, aquarium, golf,
Also, On an Average Day in Hamilton Co., tourist spending…

- Generates daily employee paychecks worth $445,212
- Generates daily State taxes worth $107,127
- Generates daily local Hamilton Co. taxes worth $41,073
How much in TN State and Hamilton Co. taxes did Hospitality & Tourism Generate in 2006?

- TN State sales taxes: $39.1 million
- Hamilton Co. local taxes: $14.99 million
- Total State & Local Taxes: $54.09 million

Source: TN Dept. of Tourist Dev.
Hamilton Co. Hospitality & Tourism
Generated **$54.09 million** in combined State & Local taxes (2006)

Spread Out Per Household in Hamilton County:

- Each household in Hamilton Co. pays **$378 less in State & local taxes** as a result of taxes generated by hospitality & tourism in Hamilton Co.

Source: TN Dept. of Tourist Dev., U.S. Census Bureau, UT Tourism Institute
Q: How much of your local Hamilton County school system’s education budget is generated by Tourism Taxes?
Tourism & Education in Hamilton Co.

A: Tourism activity in Hamilton Co. generated $14.99 million in local Hamilton Co. tax revenues, which is enough tax revenue to contribute 8.42% of the local county portion of the school system’s education budget.

(Note: Total education funding comes from 4 major sources: local county taxes, state taxes, federal taxes, and bonds)
Hamilton Co. Hotel & Lodging Sales by Month, 2006 – 2007, 20% Summer Increase!
2007 Chattanooga Hotel Tax Collections

Increase 20% from 2006
June, July & August

Increase 11% from 2006
Amusement, Museum, Entertainment Sales, Hamilton Co. by Month, 2006 – 2007, Great Summer Increase!

$ Millions

- **2007**
- **2006**
Tourism Reports Available FREE at www.utk.edu/tourism
Thanks for Inviting me
Questions – Comments?

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