Traveler spending contributes significant tax revenue to both state and local governments. Taxes generated by travel support public sector jobs like fire fighters, police officers or teachers.

**Travel Supports State and Local Government**

$4.7 billion in state taxes in 2019 by category

- Motor Fuel
- Hotel Occupancy
- Other
- Sales

**IMPACT**

$4.7 billion in state taxes and an additional $3.1 billion in local taxes is the equivalent of $760 per Texas household.

- **$7.8 Billion** State and local taxes generated by travel in 2019
- **8.4%** Share of state revenue in FY2019
- **4.8%** Share of local revenue in FY2019

**What Does Recovery Look Like?**

The travel industry was among the hardest hit by the pandemic. Preliminary economic impact estimates show that in 2021 direct travel spending in Texas recovered to 92% of 2019 levels - exceeding national averages. For more details, please refer to the [2020-2021 Research Roundup](#).