

FOR IMMEDIATE RELEASE: **December 19, 2000**

New study: Holiday 'Grinch' taxes gobble up 41% of your travel costs

"Politicians are the Grinches trying to steal Christmas," say Libertarians

WASHINGTON, DC — Feeling strapped for cash as you get ready to take off for Christmas vacation? Maybe that's because hidden travel taxes have added an astounding 41% to the cost of your trip, Libertarians say.

"For most Americans, Christmas is a season for giving," said Steve Dasbach, Libertarian Party national director. "But for politicians, it's a time for taking things away. Their hidden travel taxes take away nearly half your buying power, making politicians the real-life Grinches trying to steal Christmas."

That unwelcome holiday burden results from a wide variety of taxes that federal, state, and local governments impose on travel-related products — taxes that hit Americans especially hard over the holidays as they prepare to visit loved ones around the country. According to a recent study by the Washington, DC-based Americans for Tax Reform, those unseen taxes boost the price of products related to travel by an average of 41.2%.

Without these taxes, Dasbach said:

■ **A \$400 plane ticket would cost just \$240.** But a wide variety of levies — including a federal excise tax, passenger facilities charges, fuel taxes, arrival and departure taxes, air-traffic control surcharges, Customs, immigration, and agricultural inspection fees — combined with taxes paid directly by the airlines, adds 40% to the cost of a plane ticket.

■ **An \$80 hotel room would cost just \$45.60.** State sales and use taxes, occupancy taxes, and tourism taxes, combined with the taxes the hotel pays directly — such as federal and state income taxes, payroll taxes, capital gains taxes, unemployment insurance and workers' compensation taxes, business license taxes, utility taxes, property taxes, local income taxes, and federal and state excise taxes on the hotel's telephones — add 43% to the cost of a hotel room, according to ATR.

■ **A \$50 restaurant bill would cost just \$36.20.** But higher-than-average sales taxes on food and drinks sold by restaurants, plus taxes on alcohol, franchise taxes, and property, income, and payroll taxes paid by restaurants, add 27.6% to meal costs nationwide.

■ **A \$20 tank of gasoline would cost just \$9.80.** But 43 different taxes imposed by federal, state, and local governments add a whopping 54% to the price of a gallon of fuel.

"Politicians all claim they're 'pro-family,' " said Dasbach. "But think how much merrier Christmas would be if you could visit your family without having to pay a 41% tax to greedy government grinches."

#