

The real incidence of a Green Fee levied through the TAT is more likely to Room Suppliers than on Tourists

The impact of the tax depends on elasticities

The burden of taxes tend to fall on the sector that is most inelastic

TAT levies fall more on hotels and VRU than tourists $D > C$

If the purpose of a Green Fee is to lessen demand, then a levy on TAT may not be optimal

