

Wageningen University

## Development of the occupancy tax

The (adjusting) viewpoints of policy actors, tourism stakeholders and other municipal settings to the occupancy tax, a comparative case study

Sjors Schuurmans (960316755060)

MSc Thesis Environmental Policy Group

Dr. M. Lamers & Dr. B. Amelung

February 2022

## Abstract

Governmental institutions impose (tourism) taxes to provide public goods and services to both residents and tourists. One of those tourism taxes is the occupancy tax which is implemented by most European countries, including the Netherlands. In the Netherlands all municipalities can decide for themselves whether to implement the occupancy tax and what occupancy tax structure and level to be used, resulting in a highly diverse and complex occupancy tax landscape. Policy actors and tourism stakeholders question why the occupancy tax landscape is highly diverse and complex which continually causes a lot of discussion between them. This study aims to understand the discussion which can help the stakeholders involved in the occupancy tax understand each other and develop the occupancy tax. To better understand the discussion, it is important to know out of which aspects the discussion consists. Based on the literature the occupancy tax is like other taxes in accordance with a set of principles that are legitimate by the authority in place. The principles of (tourism) taxation are perceived differently by the stakeholders involved. Policy learning takes this into account and can be defined as (adjusting) viewpoints related to public policy. Both the concepts were used to study how the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipal settings develop the occupancy tax. To accomplish the objective of this study a comparative case study was done among five adjacent municipalities in the Netherlands. The results make it clear that there are adjusting viewpoints applied to the occupancy tax and based on the adjusting viewpoints both the introduction of the occupancy tax as its structure and level are constantly adapted over time.

## Content

Abstract .....	2
1. Introduction.....	4
1.2 Research question and subquestions.....	5
2. Conceptual framework.....	6
2.1 Principles of (tourism) taxation.....	6
2.2 Policy learning .....	8
2.3 Conceptual model .....	10
3. Methods .....	12
3.1 Research area.....	12
3.2 Interviews.....	14
4. Results .....	16
4.1 Policy actors and their considerations .....	16
4.2 Tourism stakeholders.....	18
4.4 Other municipalities.....	19
5. Discussion.....	20
6. Conclusion .....	21
References.....	23
Appendix .....	25
Appendix I .....	25
Appendix II .....	26
Appendix III .....	27
Appendix IV .....	28

## 1. Introduction

Local and national authorities can levy tourism taxes on tourists for financing the provision of public services that are used not only by residents but also by tourists (Rotaris & Carrozzo, 2019). Although the taxes levied on tourists include general taxes like transport taxes and fees and charges for entering the destination country, there are taxes primarily focused on tourists (Larhlid et al, 2017), like taxes and fees for visiting tourist attractions and the occupancy tax. According to research by Group NAO (2021) 21 out of 30 European nations covered in the research have implemented taxes on tourists and the majority tax tourists based on the number of overnight stays per person which is also known as the occupancy tax. It makes the occupancy tax the most widely applied tourism tax in Europe (Rotaris & Carrozzo, 2019). The occupancy tax does not have a fixed design and European nations have designed many different occupancy tax structures and levels resulting in a highly diverse and complex occupancy tax landscape. Occupancy tax structures and levels vary greatly from 0,5 to 7% on the accommodation price or fixed levels of €0,50 to €7,50 or more per person per night. Also, occupancy tax structures and levels differ based on the type of accommodation, age and location of the accommodation (Group NAO, 2021). The highly diverse and complex occupancy tax landscape does not have to be a problem, but it does question why a certain occupancy tax structure and level is chosen and not the other.

### *Problem description*

The Netherlands is one of the European countries where the occupancy tax landscape most highly differs as each municipality can choose for itself to introduce the occupancy tax with its own structure and level. Like in Europe the occupancy tax structure and level can be the same for each type of accommodation, a fixed amount per night, a percentage of the overnight price, depending on the number of stars or no rate at all (Hoeben, 2018; Hoeben et al, 2020). Based on the research by Hoeben et al (2020) there is a growing trend of municipalities introducing the occupancy tax, currently 85% out of 352 municipalities. Also the occupancy tax structure, level and occupancy tax mutations overviews by Hoeben et al (2020) in appendix I, II and III show that some neighbouring municipalities have a comparable occupancy tax which could indicate that municipalities influence each other's occupancy tax. Only this has not been confirmed by the municipalities themselves. Most of the municipalities levy the occupancy tax based on the number of overnight stays per person at the municipality level. The occupancy tax level differs in each municipality, ranging from €0,50 per night in the municipality of Olst-Wijhe to €10,60 per night in the municipality of Amsterdam. Moreover, within each municipality the occupancy tax structure and level can be extremely complex, with separate rates for campsites, bungalows, various types of hotels, and so on (Hoeben et al, 2020). Overall, policy actors and tourism stakeholders within municipalities question why the occupancy tax landscape is highly diverse and complex which continually causes a lot of discussion between policy actors and tourism stakeholders (Klijs et al, 2021; Pietersma, Haagen & Gosens, 2019; HISWA-RECRON & VNG, 2007).

### *Theory*

To better understand the discussion, it is important to know out of which aspects the discussion consists of. According to the literature (tourism) taxes are in accordance with a set of principles that are considered by a local, regional, national or international authority to be legitimate for their jurisdiction. The most widely acknowledged principles are effectiveness, equity and efficiency, and if these principles are balanced, it is argued to be a 'good taxation policy' (Holecek, Forsberg & Myers, 1994; Stallman, 2004; WTTC, 2018). In the Netherlands, some tourism stakeholders argue that the principles of the occupancy tax are not balanced. For example, they mention that the occupancy tax is ineffective because the costs of administering the occupancy tax are too high compared to the net tax yield. Furthermore, it is argued that the occupancy tax is inequal as the tax system does not cover all tourists, for example, those staying with friends and relatives, and day-trippers. Last, the occupancy tax is believed to be inefficient because it could affect the choices made by tourists and/or tourism operators (Pietersma, Haagen & Gosens, 2019; HISWA-RECRON & VNG, 2007). However, most policy actors do not agree with these arguments and do believe that the occupancy tax is effective, equal and efficient within the current occupancy tax policy (Remkes, 2004; Allers et al, 2003; HISWA-RECRON & VNG, 2007).

Based on the principles, it is noticed that the viewpoints of policy actors and tourism stakeholders clash with each other. On the one hand, most policy actors within municipalities consider the occupancy tax to be a necessary source of revenue to support their ambitious economic and social projects. On the other hand, tourism stakeholders prefer the lowest possible occupancy tax level and often complain that many policy actors have opted for high taxes to satisfy immediate fiscal needs without being concerned for the environmental and social externalities of tourism activity (Moyson, Scholten & Weible, 2017; Sheng, 2017). In addition, the occupancy tax in other municipal settings can explain or extend the viewpoints of policy actors and tourism stakeholders. For example, when municipalities have the same occupancy tax it can explain the decisions made by policy actors or when municipalities have a different occupancy tax it can explain the viewpoints of tourism stakeholders or extend the viewpoints of both policy actors and tourism stakeholders (Moyson, Scholten & Weible, 2017).

The discussion made up from the viewpoints of policy actors, tourism stakeholders and other municipal settings can result in adjusting viewpoints that constantly develop public policies, including the occupancy tax policy (Moyson, Scholten & Weible, 2017). Therefore, the actual occupancy tax is the outcome of a complicated political bargaining process in which policy actors and tourism stakeholders lobby for favourable policies for themselves (Stallman, 2004). Ideally, the outcome is to reflect and balance the diverging interests of each stakeholder which indicates that the occupancy tax should be based on broader economic, socio-cultural and environmental considerations (Hughes, 1981; Sheng, 2017).

### 1.2 Research question and subquestions

The existing academic literature of tourism taxation research has mainly focused on its landscape, impacts, cases for and against, success and failure, and underlying motivations (Sheng, 2017; Hughes, 1981; Larhlid, 2017; Group NAO, 2020; Rotaris & Carrozzo, 2019). According to Moyson, Scholten & Weible (2017) the (adjusting) viewpoints from policy actors,

tourism stakeholders and other municipal settings are essential to the development of the occupancy tax and have not been researched. Therefore, by understanding how the (adjusting) viewpoints develop the occupancy tax, this research could extend the existing academic literature of tourism taxation, and specifically the literature of the occupancy tax.

The Netherlands has a highly diverse and complex occupancy tax landscape of 352 municipalities which are too many to be studied and a smaller region of municipalities is preferred. In the methodology of this research a selection of municipalities is explained.

The research question is as follows *“How do the (adjusting) viewpoints from policy actors, tourism stakeholders and other municipal settings develop the occupancy tax?”*, and the subquestions below reflect the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipal settings in order.

1. What are the viewpoints of the policy actors within municipalities in shaping the occupancy tax?
2. What is the influence of the involvement of tourism stakeholders on the viewpoints of policy actors in shaping the occupancy tax?
3. What is the relation of the occupancy tax in adjacent municipal settings to each other?

How the (adjusting) viewpoints develop the occupancy tax could be different in each municipality as all municipalities can shape their occupancy tax structure and level. That is why each municipality has its own occupancy tax which makes it interesting to study municipalities' varying contexts. The expected outcome is to understand how the (adjusting) viewpoints develop the occupancy tax. Besides the academic contribution, the expected outcome could enable municipalities to review their own and others' occupancy tax, and enter into dialogue with each other or with the stakeholders involved. This could contribute to the further development of the occupancy tax by gaining insights into balancing the principles of the occupancy tax.

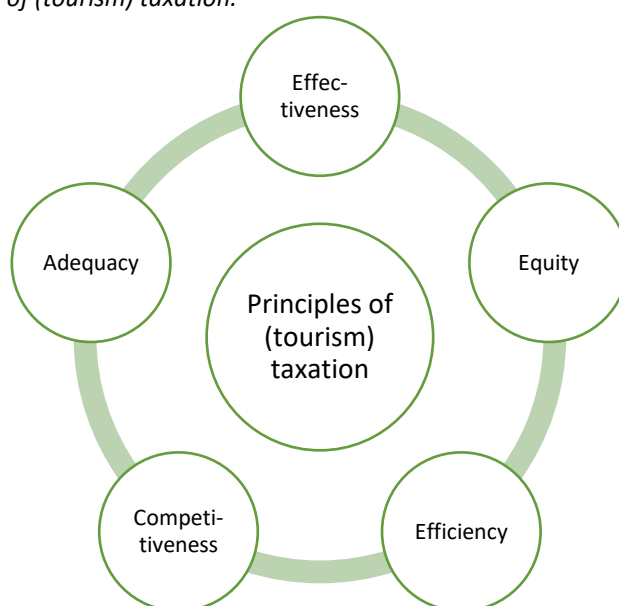
## 2. Conceptual framework

### 2.1 Principles of (tourism) taxation

Stallman (2004) argues that a government must impose taxes to provide public goods and services (police, maintenance, education, roads, economic security, etc.) that individuals need and want but are unable to obtain from the private sector (Stallman, 2004). Stallman (2004) continues by mentioning that a state can tax anything they want but the aim is to shape taxes and a tax system that serves the broad needs of society in accordance with a set of principles. According to Mitu & Stanciu (2018) *“taxation principles should provide an environment where the settlement and collection of taxes correspond both to social and economic objectives of the authority tax policy in that period, as well as to taxpayers' interests”* (p. 12). Theoretically, these principles exist, only in practice policy actors might refer or reflect to the principles in different ways as is described in theory (Mitu & Stanciu, 2018).

Holecek, Forsberg & Myers (1994) identified three traditional principles: effectiveness, equity and efficiency. Over time more principles that shape taxes have been identified of which several are widely accepted to shape taxes and a tax system. These principles are economic efficiency, economic competitiveness, administrative simplicity and cost-effectiveness, adequacy, and equity (Stallman, 2004). Following up on the principles set by Stallman (2004), a study by WTTC (2018) made an effort to simplify the tax principles and make them as well tourism-oriented. The simplification is based on five basic principles: equity, fair revenue generation, efficiency, simplicity and effective stimulus to growth (WTTC, 2018). The authors have given different names to the principles, but their principles are quite similar to each other. In this research, the principles of (tourism) taxation have been combined under the principle of effectiveness, equity, efficiency, competitiveness and adequacy in figure 1, because they rather complement each other instead of contradicting each other.

Figure 1. The principles of (tourism) taxation.



**Effectiveness** indicates that taxes should be simple to administer (Holecek, Forsberg & Myers, 1994). Stallman (2004) refers to effectiveness as administrative simplicity and cost-effectiveness and is more detailed about a simple tax system by describing that the system is easy to understand for the taxpayer, easy to comply with and both easy and inexpensive for the public sector to administer. The WTTC (2018) calls it simplicity and has one addition to the explanation given by Stallman (2004) which is that the occupancy tax should be earmarked, meaning that revenues derived from the tax, are put back into relevant projects for the tourism sector to enhance potential growth.

Second, **equity** means that taxes guarantee the fair and even-handed treatment of all economic sectors (Holecek, Forsberg & Myers, 1994). This is supported by both Stallman (2004) and WTTC (2018), WTTC (2018) mentions that fair treatment of all sectors reduces the imbalances that can lead to economic, social and political difficulties. In addition, Stallman (2004) states that taxes can be regressive, progressive and proportional and it depends on the type of tax which one meets the principle of equity. The tax is regressive when individuals and/or businesses of lower classifications pay a higher percentage of their incomes in taxes than do individuals and/or businesses with higher incomes. If individuals and/or businesses of

increasingly higher incomes pay an increasingly higher percentage of their incomes in taxes, the tax is progressive. Last, the tax is proportional when individuals and/or businesses of all income levels pay the same percentage of their incomes in taxes (Stallman, 2004).

Another kind of equity is mentioned by WTTC (2018) as **fair revenue generation** and entails that the capturing of tax revenue within the tourism sector should be even-handed. This applies to unreasonable special charges on particular goods and/or services. Although special charges may emerge, they could become a cumulative burden to a sector. For example, HISWA-RECRON & VNG (2007) and Pietersma, Haagen & Gosens (2019) argue that in the Netherlands municipalities burden the accommodation sector disproportionately with the occupancy tax on its product (overnight stay). Sectors such as museums, hospitality, retail and other businesses also enjoy tourism, but their products are not extra taxed.

Third, **efficiency** refers to optimal taxation which demands a system that minimizes the economic impact for any given tax revenue or level of public expenditure (Holecek, Forsberg & Myers, 1994). Stallman (2004) gives a more comprehensive explanation of the economic impact by mentioning that a tax system should not interfere with the consumer choices or allocation of resources and does not encourage individuals and/or businesses to make economic decisions based upon their tax consequences. The efficiency mentioned by WTTC (2018) corresponds to the previous explanations, only WTTC (2018) adds that efficiency is best maintained if tourism taxes apply at the final stage of production or service.

Fourth, Stallman (2004) describes the principle of **economic competitiveness** which means that a competitive tax system does not hinder the ability of firms to compete with firms outside the jurisdiction and does not limit the jurisdictions' ability to attract new businesses. According to the association of Dutch municipalities (VNG) in HISWA-RECRON & VNG (2007) tourists are not guided by the occupancy tax level, but by the tourism environment. This would mean that tourists do not see the occupancy tax as an obstacle and that policy actors should not make economic decisions based upon the occupancy tax or be disadvantaged based on their jurisdiction. However, the VNG does not mention at what occupancy tax level tourists would not be guided by the tourism environment and if there is a distinction in the tourists' budget.

Last, **adequacy** corresponds to the ability to generate adequate revenue to meet public needs and takes into account the growth or decline of the economy and population (Stallman, 2004). Holecek, Forsberg & Myers (1994) and WTTC (2018) have not mentioned adequacy as a principle, but as the overall aim of a tax system that has to be balanced with the principles.

## 2.2 Policy learning

Policy learning can be defined as (adjusting) viewpoints related to public policy, for example, taxes (Dunlop & Radaelli, 2013; Moyson, Scholten & Weible, 2017). According to Moyson, Scholten & Weible (2017) the shape and implementation of public policies, for example, the occupancy tax, are constantly adapted over time through various policy learning insights. The adaptation over time is referred to as policy change by Moyson, Scholten & Weible (2017). In this sense, policy learning insights could result in learnings from past mistakes and lead to policy change in the future (Moyson, Scholten & Weible, 2017). In this research the concept of policy learning is used to study the policy learning insights or (adjusting) viewpoints that determine the development of the occupancy tax.



Moyson, Scholten & Weible (2017) differentiate three levels at which policy learning takes place. First, the **micro-level** focuses on “*policy-making as a process of ‘puzzling’ among individual policy actors dealing with ideas and uncertainty*” (p. 162) (Moyson, Scholten & Weible, 2017). The ideas and uncertainty are described as policy knowledge that results from power relations between human groups. Subsequently, the policy knowledge is used for policy-making which reflects ‘puzzling’ and entails both deciding and knowing (Moyson, Scholten & Weible, 2017). For policy actors, policy knowledge could derive from relevant sources like research, media, interactions and experiences. Within the micro-level the policy actors related to the occupancy tax interpret and discuss their policy knowledge that could result in ideas and uncertainty for the occupancy tax.

Second, the **meso-level** focuses on organizational learning and results from the development and dialog between policy actors and organizations within the jurisdiction of the applied public policy (Moyson, Scholten & Weible, 2017). Moyson, Scholten & Weible (2017) mention that learning for organizations has a strategic character because it influences their ability to identify, react and adapt to the changes in their environment. Within the tourism sector one of those changes could be the occupancy tax. The identification, reaction and adaptation of the tourism stakeholders could result in tensions with the municipality, for example, if a tourism stakeholder does not agree with a particular increase in the occupancy tax level. Based on the disagreement a dialog could be started which could result in organizational learning.

Last, the macro-level studies how learning occurs at the system level, often across government units. According to Moyson, Scholten & Weible (2017) “*macro-level studies are typically interested in sequences in which policy decisions are made in one or several institutional systems, oftentimes after similar decisions have been made in one or several other institutional systems*” (p. 162). Related processes to macro-level studies have been termed policy transfer, policy diffusion and policy convergence. Policy transfer means that policy actors in one institutional setting learn from the policy decisions made in another setting. Policy diffusion refers to the spread of a particular public policy from one institutional setting to another. Policy convergence is somewhat similar to policy diffusion, only there is a particular act of moving toward unity in public policy among multiple institutional settings (Moyson, Scholten & Weible, 2017). In this study the use of the macro-level can help to give a deeper meaning to certain situations regarding the occupancy tax. For example, the increasing use of the occupancy tax-related to policy diffusion and/or when municipalities have the same occupancy tax structure or level, which may indicate policy transfer, policy diffusion and/or policy convergence.

Although all three levels outlined here focus on different areas of policy learning, they do share, to various degrees, three distinctive characteristics. These characteristics could relate to the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipal settings and help understand how the (adjusting) viewpoints develop the occupancy tax. First, the relation between authority and society takes place at all levels. Among authorities and experts, scientists, stakeholders, and citizens in a society, political and **policy-relevant ideas exist and circulate** (Moyson, Scholten & Weible, 2017). In this research the ideas of stakeholders relevant to the occupancy tax and their contribution to the development of the occupancy tax are analyzed. This enables the researcher to understand what is going on between the stakeholders.

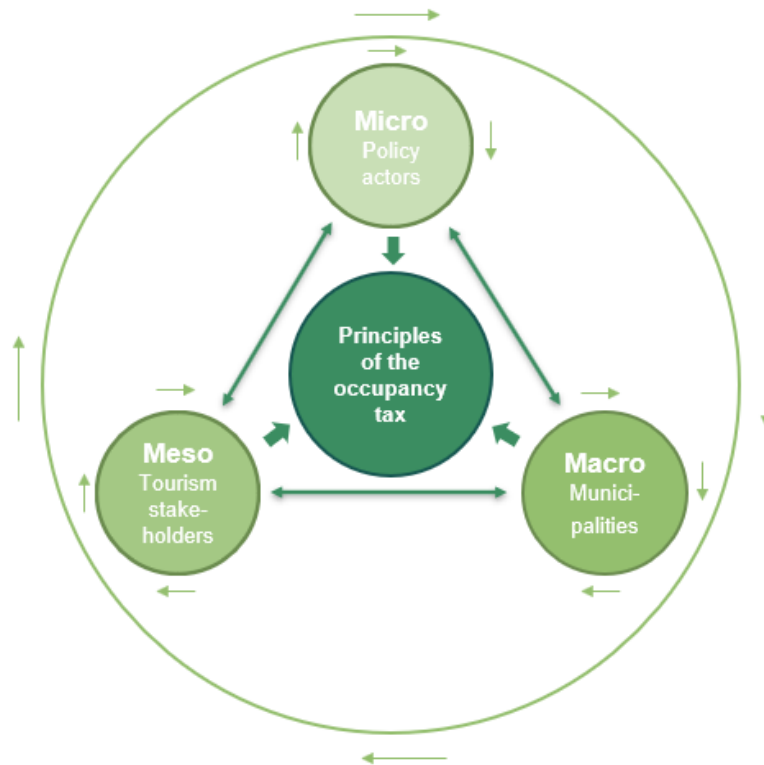
Second, according to Zito & Schout (2009) policy learning mostly adopts the **'behavioral turn'** which means that people think that their decisions are reasonable, but do that within their environment and ability to process information. The use of policy learning by studying the micro-, meso- and macro-level could extend the environment and ability to process information causing a 'behavioral turn' or change of thinking (Moyson, Scholten & Weible, 2017; Zito & Schout, 2009). For example, related to the occupancy tax it could be that in one municipality the occupancy tax level increased and in an adjacent municipality the occupancy tax was abolished. Tourism stakeholders within the municipality that increased the occupancy tax level might notice a decrease in tourists as the tourists prefer the adjacent municipality because of the favorable price. By gaining the knowledge and experience of the tourism stakeholders' decrease in tourists, policy actors might have a behavioral turn on their decisions made.

Third, policy learning considers the **policy process over time**. How ideas are gathered, selected, congregated, organized, and then communicated, supported, or abandoned, could impose a lack of movement in decision making as time is needed to consider the policy process. When decisions are wanted, extra time to consider the policy process is not always welcomed (Dunlop, 2013; Sabatier, 1993). In the previous example, tourism stakeholders would rather have a solution to their decrease in tourists today than tomorrow. Nevertheless, the policy process over time needs to be incorporated in the analysis of the occupancy tax as policy actors need time to evaluate their decisions made (Dunlop, 2013; Sabatier, 1993).

### 2.3 Conceptual model

The concepts, principles of (tourism) taxation and policy learning, that have been discussed are used for answering the research questions. How the concepts are used is presented in the conceptual model in figure 2 on the next page. This model is a lens through which the research question *"How do the (adjusting) viewpoints from policy actors, tourism stakeholders and other municipal settings develop the occupancy tax?"* is interpreted. The occupancy tax is the circle in the middle and is shaped by its principles. The principles that shape the occupancy tax are influenced by the (adjusting) viewpoints of the micro-level including policy actors, meso-level including tourism stakeholders and macro-level including both policy actors and tourism stakeholders in other municipal settings. In the same order the levels are decisive which is indicated by the transparency of the circles. These levels continue to develop themselves as well as influence one another. Last, the entire process is circled which implies that it is a continuing process.

Figure 2. The conceptual model.



#### *Application of concepts*

In this study the principles of (tourism) taxation are useful for evaluating the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipal settings regarding the occupancy tax. The (adjusting) viewpoints could be related to one or multiple principles that have been discussed. According to Stallman (2004) other studies have pointed out that certain principles that shape taxes may be at the expense of other principles. For example, it could be more equal if a municipality taxes all sectors that enjoy tourism instead of only taxing the accommodation sector with the occupancy tax, but this could be ineffective as the tax system would be more difficult to administer with all the extra sectors that enjoy tourism. In the example, the principle of fair revenue generations comes at the expense of the principle of effectiveness. Municipalities in the Netherlands are overall free to select the principles that determine the structure and level of the occupancy tax (Allers et al, 2003; VNG, 2020). Therefore, one municipality could be different or similar to another municipality, regarding its principles of the occupancy tax.

Policy learning can help to understand the (adjusting) viewpoints of policy actors that determine the occupancy tax in the municipal settings of the research area (Howlett & Ramesh, 1993). The discussed theory of policy learning with its levels and characteristics provides guidance on how policy learning can be applied in practice, however, it must be taken into account that how policy learning is described in theory is not necessarily the same as in practice. In this sense policy learning can be organized, random, biased, or even absent altogether (Moyson, Scholten & Weible, 2017).

### 3. Methods

To answer the research questions, a comparative case study was chosen as the research approach in this study. A comparative case study assesses generalizations that extend across multiple cases (Knight, 2001). In this study, the generalizations are about the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipal settings on the occupancy tax. The (adjusting) viewpoints exist in each municipality and therefore the municipalities are the cases. According to Elder (2005) qualitative research is often used in case studies and interviewing is one of the principal methodologies of qualitative research because interviews enable the researcher to zoom in deeply on the cases studied. That is why the data collection method in this study are interviews as a deep understanding of the cases is needed to know how the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipal settings develop the occupancy tax. In the remainder of this chapter, the research area, research participants, interviews and analysis are entailed in more detail.

#### 3.1 Research area

For the selection of municipalities in this research it was important to select a group of three to five adjacent municipalities of which the occupancy tax corresponds and differs from each other. In this way it is possible to zoom in deeply on the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipal settings in similar and different situations regarding the occupancy tax and how their (adjusting) viewpoints develop the occupancy tax. This was the case in the municipalities of A1, A2 & A5, A3, A4 and A6 which are adjacent to each other in the province of A and the municipality of A6 is as well related to another province, referred to as the province of B. Furthermore, the occupancy tax landscape of these municipalities corresponds and differs from each other as can be seen in table 1. Three out of five municipalities have an occupancy tax structure with a fixed rate, one with a differentiated rate and one with no occupancy tax at all. The occupancy tax level ranges from €0,- to €1,65 per person per night.

Table 1. The occupancy tax landscape in the research area.

Municipality	Occupancy tax structure	Occupancy tax level
A1	Fixed-rate	€1,65 per person per night
A2 & A5	Fixed-rate	To be announced in 2022
A3	Fixed-rate	€1,25 per person per night
A4	No occupancy tax	€0,-
A6	Differentiated rate	€1,10 For campsites and camping farms and €1,50 for all other accommodations per person per night
Province		Municipalities
A		A1, A2 & A5, A3, A4, A6
B		A6

### *Research participants*

The selection of research participants was within the municipalities from table 1. In selecting the research participants it was important that both policy actors and tourism stakeholders related to the occupancy tax participated. Policy actors are active within the policy apparatus of a municipality and tourism stakeholders of the occupancy tax are entrepreneurs within the accommodation sector and national or regional tourism industry associations. Both of them among several municipalities represent other municipal settings. Furthermore, it was of added value when multiple policy actors and tourism stakeholders within one municipality participated because the occupancy tax in one municipality is then illuminated from several points of view. Some policy actors and tourism stakeholders active in the research area had indicated via J. Heslinga to be willing to participate in this study. J. Heslinga is a senior researcher at the European Tourism Futures Institute (ETFI) who has done research before with the researcher of this study and has a large network in the field of tourism in the province of A.

Some of the research participants had indicated that they want to remain anonymous when publishing this study. That is why it has been decided to refer to the research participants with codes. The research participants from the network of J. Heslinga were A1, A2, A3, A4 and B1 are shown in table 2 on the next page. A1, A2, A3 and A4 are policy actors in the municipality of A1, A2 & A5, A3 and A4 who are (most) related to the occupancy tax in their municipality. B1 is a tourism stakeholder in the province of A with an overall view of the occupancy tax. For the remaining research participants in table 2, snowball sampling was used based on the first interviews and the network of J. Heslinga. Preferably these were policy actors or tourism stakeholders who are active within the same municipalities as the first research participants. This was only the case in the municipality of A2 & A5, where a policy actor, A5, joined the interview with A2 and in the municipality of A1 where beside A1 a tourism stakeholder, B2, participated. The limited presence of several policy actors and tourism stakeholders within one municipality was partly accommodated by research participants such as B1 with an overall view of the research area and B3 and B4, who are active as tourism stakeholders in tourism industry associations in the province of A and have knowledge of all municipalities. Last, a policy actor from the municipality of A6 was asked to participate as this municipality has an occupancy tax with a differentiated rate. Most of the municipalities in the province of A and the Netherlands have an occupancy tax with a fixed rate and that is why the municipality of A6 differs from the other municipalities in this research with regard to the occupancy tax structure (Hoeben et al, 2020).

*Table 2. Background information of interviewees.*

<b>Interviewee</b>	<b>Organization/municipality</b>	<b>Function</b>
A1	Municipality of A1	Coordinator team Economic Affairs, Marketing and Tourism
A2	Municipality of A2 & A5	Advisor recreation and tourism
A3	Municipality of A3	Advisor recreation and tourism

A4	Municipality of A4	Advisor recreation and tourism
A5	Municipality of A2 & A5	Senior project leader
A6	Municipality of 6	Senior advisor tourism and hospitality
B1	An organization that stimulates the hospitality sector and provides it with ideas and initiatives	Tourism specialist
B2	Hotel consultation municipality of A1 – a foundation that is committed to the interests of the hotel industry in the municipality of A1	Chair hotel consultation and director of a hotel
B3	A hospitality industry association that represents the interests of the hospitality industry	Regional manager in the province of the research area
B4	An industry association of companies in water sports and recreation	Regional manager in the province of the research area

### 3.2 Interviews

The research participants were approached by e-mail or telephone with a short explanation of this research and whether they wanted to participate in an interview. Overall, all the approached research participants were willing to participate in this research and based on their reply, a suitable date for the interview was planned. A total of nine interviews were conducted of which eight via online video communication and one via e-mail. The interviews were digitally recorded and transcribed, and the duration of the interviews was between twenty minutes to one hour. After the completion of this research the recorded files were deleted.

#### *Interview structure*

The interviews are semi-structured interviews which is a method of research often used in social sciences and qualitative research. Magaldi & Berler (2018) define semi-structured interviews as “a guide or protocol that is devised prior t the interview and is focused on a core topic to provide a general structure, the semi-structured interview also allows for discovery, with space to follow topical trajectories as the conversation unfolds” (p. 1). This method is most suitable for this research as the principles that determine the occupancy tax and levels at which policy learning occurs within the municipalities were not clear beforehand. The semi-structured interviews comprised open-ended questions and allowed new ideas to be brought up during the interview as a result of what the interviewee said (Magaldi & Berler, 2018). In this way, the policy actors and tourism stakeholders that were interviewed were able to bring up new ideas of principles that determine the occupancy tax and/or policy learning which have not been discussed in the conceptual framework. Moreover, semi-structured interviews enabled the interviewer to explore and follow different directions as information emerged, including adaptability in the order of questions, while holding on to the organizing focus determined beforehand (Magaldi & Berler, 2018).

### *Interview guide*

To arrive at the correct results for answering the research questions, the interviews were divided into four sections: introduction, micro-, meso- and macro-level. Both policy actors and tourism stakeholders were asked about all sections so that policy actors are not only asked about the micro-level, tourism stakeholders are not only asked about the meso-level and both policy actors and tourism stakeholders reflect on the macro-level. In this way the results of the micro-, meso-, and macro-level are not one-sided but more complete. The full interview guide is in Appendix IV.

The interview section 'introduction' aimed to introduce the research topic to know more about what the occupancy tax is in the municipalities of the research area and why it has (not) been implemented. Second, the section 'micro-level' corresponds to the first subquestion. This section focuses on the (adjusting) viewpoints of policy actors in shaping the occupancy tax. Whether policy actors or tourism stakeholders apply the principles of (tourism) as in the conceptual framework of this study was unknown before the interviews were conducted. Therefore the questions on the section, micro-level, have been asked with a more general notion, namely considerations. Based on the answer, the interviewer could make a connection with the principles of (tourism) taxation and ask further questions like what considerations, how and why they exist. The "what" question aims to identify the principles of (tourism) taxation that are at play among the policy actors. The "how and why" questions, address the ideas and uncertainties arising from the policy knowledge of policy actors regarding the principles of (tourism) taxation (Moyson, Scholten & Weible, 2017).

Third, the meso-level part includes the second subquestion. This part takes into account the influence of the involvement of tourism stakeholders in shaping the occupancy tax. According to the concept of policy learning, it is important to identify the interactions between policy actors and tourism stakeholders and how the interactions affect the principles of (tourism) taxation (Moyson, Scholten & Weible, 2017). Therefore the initial interview question aimed to discover if the policy actors do (not) involve the tourism stakeholders. Follow-up questions such as how and why tourism stakeholders are involved were asked to identify the interactions between policy actors and tourism stakeholders. The interactions can affect both the viewpoints of policy actors and tourism stakeholders which can result in adjusted viewpoints on the principles of the occupancy tax (Dunlop, 2013; Moyson, Scholten & Weible, 2017; Sabatier, 1993; Zito & Schout, 2009). These effects were asked by questioning "what the contribution is of involving tourism stakeholders in shaping the occupancy tax?".

Last, the fourth part 'macro-level' relates to the third subquestion. This part adapts kind of the same approach as the third part, only it focuses on other municipal settings instead of tourism stakeholders. By questioning if the occupancy taxes of the adjacent municipalities in the research area are related to each other, why and how they are related and what their relation is, enabled the researcher to examine how policy actors and tourism stakeholders assess the occupancy tax similarities and differences among other municipal settings and whether there is a relation between them. According to the literature the possible identified relations within the macro-level are policy transfer, policy diffusion and policy convergence (Moyson, Scholten & Weible, 2017).

### *Interview analysis*

The results were written based on an analysis of the interviews, followed by the discussion and conclusion of this research. In the first step of the analysis process, the interview transcripts were coded in an open coding process. According to Rubin and Babbie (2013) an open coding process is a qualitative data processing method in which one develops code categories through close examination of qualitative data, instead of starting with a list of code categories derived from theory. The open coding process was preferred, so that the researcher is not limited during the analysis of the interview transcripts to a fixed list of code categories, but can be adjusted if necessary. This enabled the analysis of the transcripts to be adjusted to the input of the interviewees, which is useful in the full understanding of the development of the occupancy tax. Although the codes were derived from the interview transcripts, they still correspond to the theory as the interview questions are based on the theory.

The final coded transcripts gave the researcher an overview of the interviewees' statements. The overview made clear whether certain statements occurred more than once and this was the case, it could be indicated in the results. Nevertheless, all statements related to the issue of this study have been incorporated into the results. The results were then interpreted by linking them to the theory and discussing the reliability and validity of this study. Finally, based on the interpretation, a conclusion has been written about the issue addressed in this study and where future research can focus on regarding the occupancy tax.

## 4. Results

### 4.1 Policy actors and their considerations

#### *Introducing the occupancy tax*

Levying an occupancy tax increases revenues but also costs. Occupancy tax revenues are strongly related to tourism activity, whereas tax costs tend to have a substantial fixed component. For municipalities it is therefore important to know whether the level of tourism activity is high enough to justify an occupancy tax (B1, 2021). Taking into account the level of tourism activity to generate adequate revenue is an aspect of the principle of adequacy (Stallman, 2004). B1 (2021) argues that the municipalities which do not levy the occupancy tax, are usually less touristic. The economic calculus can change as tourism activity changes over time.

The municipality of A4, for example, has witnessed growing tourism activity and is considering the introduction of an occupancy tax. The deliberations about the occupancy tax coincide with a general overhaul of local taxation after the creation of a municipality from four smaller municipalities in 2018. The new municipality has strong ambitions in the field of tourism and recreation (A4, 2021). Similarly, the municipality of A1 abolished the occupancy tax in 2010 due to a lack of tourism activity. Following the city's status as European Capital of Culture in 2018, however, the municipality reintroduced the occupancy tax to take advantage of the increased tourism activity (B1, 2021). In the municipality of A2 & A5, the introduction of the occupancy tax has been reconsidered as well. A2 & A5 (2021) state that before the municipality of A2 & A5 announced to introduce the occupancy tax, the tax department thought that it would yield too little for the finances, but over time policy actors started to reconsider the principle of



effectiveness and adequacy. The municipality started an internal investigation into the expected revenues and after deduction of the collection costs, a positive amount remained (A2 & A5, 2021).

According to B1 (2021) there is not necessarily agreement between the policy actors themselves about the introduction of the occupancy tax. This depends on which responsibilities and policy fields the policy actors have whether they want to introduce the occupancy tax. Policy actors who are responsible for the municipal budget want to generate adequate revenues and for the municipality it is quite reasonable to introduce the occupancy tax when its revenue can help the municipality with achieving generate adequate revenue. For example, A3 (2021) argues that for the municipality of A3 it is more coherent to the principle of fair revenue generation that people who do not live in the municipality but who do spend the night should pay tax as well. Nevertheless, A3 (2021) acknowledges that the most important consideration for levying the occupancy tax is the principle of adequacy as additional financial resources are needed to finance the expenditure on behalf of tourists.

#### *Occupancy tax structure and level*

In the municipalities of A1, A2 & A5 and A3 policy actors find it more coherent to the principle of equity to apply a proportional rate, because the costs of the municipality are the same for every tourist (A1, 2021; A2 & A5; A3, 2021). Only in the municipality of A3 and A6 some policy actors are told by tourism stakeholders that a proportional rate per night is relatively a larger amount for a campsite than a hotel and a progressive rate between these accommodations would be more in place with the principle of efficiency based on the tourist's budget and price differences between accommodations. However, according to A3 (2021) and A6 (2021) it is more expensive for municipalities to apply an occupancy tax structure with a progressive rate than a proportional rate because a progressive rate takes more time to collect because of its differentiations and therefore be less effective.

Moreover, in the interviews was mentioned that policy actors can adjust certain principles by extending the occupancy tax structure. For example, policy actors have the option of charging day tourists with an amusement fee at tourist attractions. The addition of an amusement fee could benefit the principle of fair revenue generation because the capturing of tax revenue within the tourism sector would be distributed among all tourists instead of just staying tourists (A6, 2021). However, the principle of effectiveness and adequacy is an obstacle for policy actors to levy the amusement fee because in the absence of sufficient tourist attractions it would cost more than it generates revenue (A2 & A5, 2021; A6, 2021). Furthermore, most policy actors interviewed mentioned the use of a flat rate which allows campsites with permanent camping pitches to pay the occupancy tax based on an assumption of the actual number of overnight stays (A3, 2021). A1 (2021), A3 (2021) and A6 (2021) mention that a flat rate makes the occupancy tax more effective and efficient for campsites because the owner of the campsite does not have to worry about the precise registration of permanent camping pitches and offering permanent camping pitches increases the offer, giving campsites and tourists more economical choices.

When determining the occupancy tax level, all policy actors interviewed find themselves puzzling about what occupancy tax level is politically feasible because of the principle of competitiveness and adequacy. They indicate to prefer an occupancy tax level that corresponds with the surrounding municipalities and ensures that the municipality generates adequate revenue. Due to the small differences between municipalities in the occupancy tax level, there is less chance that the occupancy tax results in competition between municipalities (A1, A2 & A5; A3, 2021; A4, 2021; A6, 2021). Ideally, A3 (2021) argues that the occupancy tax level is reflected on the principle of adequacy which means that the municipality generates adequate revenue based on the total amount of costs for tourism in the municipality. However, the ideal occupancy tax level is impossible for municipalities to calculate, because many costs for tourism intertwine with other costs, such as those of residents (A3, 2021).

#### 4.2 Tourism stakeholders

The ultimate choices made by policy actors in the puzzle of finding the right balance between the principles are noticed by tourism stakeholders such as tourism operators and tourism industry associations. Within the current policy on the occupancy tax B4 (2021) argues that municipalities do not have many opportunities to collect taxes and therefore the capabilities of municipalities to have a balanced budget are limited. That is why the tourism stakeholders like to think along about how the current policy on the occupancy tax can be developed that both municipalities and tourism stakeholders get the most out of the occupancy tax (B2, 2021; B3, 2021; B4, 2021). To organize the contributions of tourism stakeholders, all municipalities studied have a group of tourism operators as discussion partners, which is also referred to as an operatorial platform. In addition to the operatorial platform, there are the tourism industry associations KHN and HISWA-RECRON given that are active in the field of tourism within every municipality in the Netherlands (B3, 2021; B4, 2021).

Within the current policy on the occupancy tax, tourism stakeholders insist on policy actors to have technical consultation with tourism stakeholders for discussing the occupancy tax structure and level (B2, 2021; B3, 2021; A2 & A5, 2021; A3, 2021; A6, 2021). In the following examples discussions between tourism stakeholders and policy actors about the occupancy tax structure and level do affect the viewpoints of policy actors on the occupancy tax principles. First, given the principle of efficiency A2 & A5 (2021) and A6 (2021) argue that tourism operators want to be informed well in advance about the introduction of or adjustment(s) to the occupancy tax for making accommodation offers like brochures and deals. Furthermore, A2 & A5 (2021) and A6 (2021) mention that this had led to the delay of the introduction of or adjustment(s) to the occupancy tax so that the occupancy tax is less likely to interfere with the tourists' choices and not encourage tourism operators to make economic decisions based upon their tax consequences.

Second, if a certain structure or level deviates from surrounding municipalities, tourism stakeholders point out the principle of competitiveness as it could hinder tourism operators to compete with other tourism operators outside the jurisdiction (B3, 2021). This is one of the reasons why the occupancy tax level in the municipality of A2 & A5 is still under discussion (A2 & A5, 2021; B3, 2021).

Third, B3 (2021) argues to be committed to making the occupancy tax a target tax which means that the generated revenue from the occupancy tax is spent on tourism and does not disappear in the municipal budget. Most of the municipalities included in this research turned the occupancy tax into a target tax in which tourism stakeholders are involved in the spending of the occupancy tax (A1, 2021; A2 & A5, 2021; A3, 2021). Moreover, the target tax gives a municipality insight into the costs and income from tourism and whether it complies with the principle of adequacy. Policy actors have the impression that the costs of tourism are not covered by the occupancy tax revenue at all (A3, 2021; A6, 2021; B4, 2021).

Finally, tourism stakeholders find the principle of effectiveness important to keep the administrative burden as low as possible for both the municipality and the tourism operators (B2, 2021; B3, 2021). For example, in the municipality of A3, a group of tourism operators did have a share in the establishment of a flat-rate tax (A3, 2021).

B3 (2021) and B4 (2021) argue that within the current policy on the occupancy tax tourism stakeholders can exert influence, but this is not always the desired influence that they have in mind. In any case, tourism stakeholders indicate that they want to be more involved in the policy process regarding the occupancy tax, especially in a change of the occupancy tax structure and level and/or expenditure of the occupancy tax (B2, 2021; B3, 2021; B4, 2021). According to B4 (2021) HISWA-RECRON started research on policy transfer of alternative structures to the occupancy tax which they want to discuss with the VNG. The research was initiated because the occupancy tax only covers a small part of tourists, other businesses like retail, supermarkets, catering, et cetera, also profit from tourists, but are not included in the occupancy tax. The exclusion of these profits could make the occupancy tax weigh more heavily on overnight tourists and result in occupancy tax level increases. This would be untenable in the long term for both municipalities and tourism stakeholders (B4, 2021).

#### 4.4 Other municipalities

In the municipalities of A1, A2 & A5, A3 and A4 the occupancy tax is mainly a matter of policy transfer and diffusion, especially for the municipalities of A2 & A5 and A4 who have less experience with levying an occupancy tax (A2 & A5, 2021; A4, 2021). For example, when municipalities introduce or adjust the occupancy tax an exploration for policy transfer of the occupancy tax is usually done. According to A2 & A5 (2021), A3 (2021) and A4 (2021) the exploration mainly concerns what other comparable municipalities in the area are doing in terms of occupancy tax structure and level and whether that will change in the short term. This gives a municipality an overview of the possibilities to introduce or adjust the occupancy tax and signify policy diffusion in the spread of the occupancy tax structure and level from one municipality to other municipalities (A2 & A5, 2021; A3, 2021; A4, 2021).

In this way the municipalities stay in step with each other in terms of the occupancy tax structure and level. Although there is no movement towards policy convergence between the municipalities in the province of A, there is in the municipality of A6. Together with all the municipalities in the province of B, the municipality of A6 is part of the recreation board in the province of B which is an inter-municipal partnership focussing on tourism and recreation (A6, 2021). According to A6 (2021) tourism and recreation is a cross-border municipal activity and therefore it is more convenient to arrange certain tourism and recreation policies in a provincial

approach. Based on research commissioned by the recreation board, the recreation board advised to have all affiliated municipalities change the occupancy tax structure to a progressive structure. The advice was given because according to the research a progressive structure is relatively more correct due to the accommodation price differences and in that respect would conform more to the principle of efficiency than a proportional structure. For the occupancy tax level was decided to have a minimum and a maximum level to prevent any possible competition between municipalities based on the occupancy tax level (A6, 2021). Therefore, the recreation board used policy transfer in its research and has adopted the outcome of the research for policy convergence on the occupancy tax in the province of B. The province of A has a comparable organization to the recreation board in B, only A3 (2021) does not see policy convergence of the occupancy tax structure and level in the province of A happen, because municipalities decide for themselves what to do with the occupancy tax. In the province of B the municipalities also decide for themselves what to do with the occupancy tax, but advice for policy convergence can be followed.

With the expenditure of the occupancy tax in the province of A, there is policy convergence between the municipalities, especially in the municipalities that adjoin each other and that resemble each other in terms of the tourism offer. For example, the municipality of A3 and an adjacent municipality have agreed to use a part of the occupancy tax for the management and maintenance of tourism facilities and destination marketing (A3, 2021). Furthermore, B1 (2021) and B2 (2021) speculated to use the occupancy tax province-wide in the field of management and maintenance of tourism facilities and destination marketing. According to them these matters are of collective importance and require thinking beyond municipal boundaries. Policy actors did not mention this and most of the interviewed policy actors are focused on their municipality, adjacent municipalities or the region where they belong too (A1, 2021; A3, 2021; A6, 2021).

## 5. Discussion

Before reading the discussion and the next chapter, conclusion, it is important to know that the interpreted results and conclusions are particularly representative of this research area. In other regions there may indeed be comparable properties and phenomena with this research, but between municipalities there are many differences in terms of the occupancy tax each with its own development. Furthermore, the results might be incomplete, because only the main policy actors and tourism stakeholders involved in the occupancy tax of the research area were interviewed as they are aware of most viewpoints to the occupancy tax in their jurisdiction. On the one hand, individuals who could have different viewpoints on the occupancy tax might not have been mentioned by the main policy actors and tourism stakeholders. On the other hand, the research participants are critical of each other but do not contradict each other, which reinforces the results of this research.

The results make it clear that there are adjusting viewpoints applied to the occupancy tax and based on the adjusting viewpoints both the introduction of the occupancy tax as its structure and level are constantly adapted over time which was as well indicated by Moyson, Scholten & Weible (2017). Within the constant adaptations of the occupancy tax by introduction or

adjustments the maximizing of one principle can negatively impact other principles (Stallman, 2004). Contrary to the assertion of Zito & Schout (2009) in which they say that people like policy actors think their decisions are reasonable within their environment and capacity to process information, the policy actors in this study extend do their environment by involving tourism stakeholders in operational platforms. How all input from tourism stakeholders is gathered, selected, congregated, organized, and then communicated, supported, or abandoned, takes time and could impose a lack of movement in decision making as time is needed to consider all input given (Dunlop, 2013; Sabatier, 1993). The adjusting viewpoints and ultimate decisions of policy actors in a municipality are partly related to those of policy actors in adjacent municipalities. This was partly reflected in the research of Hoeben et al (2020) in which it was shown in Appendix I, II and III that some adjacent municipalities in the Netherlands seem to have a similar occupancy tax structure and level. In summary, all these aspects of the dialogue shape the dynamic and socially constructed relationships of policy actors with the tourism stakeholders and adjust the viewpoints of policy actors that have led to some developments on the occupancy tax (Moyson, Scholten & Weible, 2017).

Overall, the occupancy tax can develop further from this point and it can provide other authorities with insight on how to understand the (adjusting) viewpoints of the stakeholders involved. The conceptual framework has appropriately supported the study of how the (adjusting) viewpoints of policy actors, tourism stakeholders and both stakeholders in other municipal settings develop the occupancy tax. In doing so, the principles of (tourism) taxation were useful for evaluating the (adjusting) viewpoints. Some stakeholders are also interested in knowing to what extent the occupancy tax influences the choices of tourists or how other countries levy the occupancy tax. These have been left out within the scope of this study. Moreover, the method of this study gave sufficient room for depth to understand the viewpoints of each stakeholder and how their viewpoints adjust each other. Within the levels of policy learning there is room for more depth, especially within the micro-level of policy actors. By interviewing several policy actors in one municipality, it is possible to learn more about how they adjust each other's points of view and if their political background plays a role in this.

## 6. Conclusion

In this research an answer was sought to the research question: 'How do the (adjusting) viewpoints from policy actors, tourism stakeholders and other municipal settings develop the occupancy tax?' To this end, a qualitative study was conducted into the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipalities.

The adjusting viewpoints of policy actors on the introduction of the occupancy tax are mainly influenced by the political knowledge of factors such as tax options, municipal budget and tourism activity. Based on the political knowledge of policy actors about tax options and municipal budgets it is clear that policy actors work with limited tax options and a tight municipal budget. With this knowledge, the occupancy tax quickly becomes a topic of discussion among policy actors in which tourism activity is an important factor in whether or not the principle of adequacy is met. Moreover, it was mentioned that the political background of a policy actor can influence whether to support the occupancy tax, but in this study too few policy actors within

one municipality were interviewed to make a statement about this. Also policy actors realize that the possibilities are limited for achieving a balanced municipal budget and this can make the political background less prominent.

When shaping the occupancy tax structure and level, policy actors have more options to balance the principles of (tourism) taxation. In particular, the balance between the principle of adequacy, and effectiveness, efficiency, fairness and competitiveness. In the occupancy tax structure the policy actors choose between a proportional structure that benefits the principle of equity or a progressive structure that benefits the principle of effectiveness. Including an entertainment fee is beneficial to the principle of fair revenue generation, but if there are not enough tourist attractions, it is detrimental to the principle of effectiveness and adequacy. Adding a flat rate to the occupancy tax benefits the principle of efficiency. In determining the occupancy tax level, policy actors do not want to deviate too much from neighbouring municipalities or comparable municipalities in terms of tourism, because of the principle of competitiveness.

Furthermore, it should be noted that a particular occupancy tax structure and level can be close to what is ideal according to the political knowledge of the policy actors at that moment. When policy actors include tourism stakeholders in the dialogue about the occupancy tax, the criticism and ideas given by tourism stakeholders extend the political knowledge of policy actors. Within the dialogue the tourism stakeholders strive for an ideal system for both the municipality and the tourism industry, which is the purpose of the criticism and ideas given. Because of the time needed tourism stakeholders would like to be more involved and see results because of their involvement.

In most of the municipalities in the research area the occupancy tax is mainly a matter of policy transfer and policy diffusion, especially for the municipalities that have less experience with levying an occupancy tax. Through policy transfer and policy diffusion the municipalities attempt to stay in step with each other in terms of the occupancy tax structure and level but have no interest in a movement towards policy convergence. Except for one municipality in the research area that does have a movement towards policy convergence together with other municipalities in the adjacent province. Nevertheless, with the expenditure of the occupancy tax there is more policy convergence between the municipalities in the research area, especially in the municipalities that adjoin each other and that resemble each other in terms of the tourism offer.

This study has shown how the (adjusting) viewpoints of policy actors, tourism stakeholders and other municipalities develop the occupancy tax. This makes it clear what each stakeholder and all stakeholders as a whole adds to that development. Therefore, a start has been made on research into the development of the occupancy. Follow-up research may focus on applying the same method in other research areas to further substantiate the findings of this study. To which extent the political background of policy actors plays a role in the introduction and shape of the occupancy tax structure and level was not revealed in this study and could be done by including more policy actors within one municipality. Finally, the phenomenon of policy convergence within occupancy tax is interesting, because it is striking that four out of five municipalities in this study do learn from and adapt to each other, but do not make any agreements. The experience of policy actors, tourism stakeholders and tourists in an area where there is policy convergence of the occupancy tax could be studied.

## References

- A1. Interview toeristenbelasting. Conducted by S. Schuurmans, 15 september 2021.
- A2 & A5. Interview toeristenbelasting. Conducted by S. Schuurmans, 8 september 2021.
- A3. Interview toeristenbelasting. Conducted by S. Schuurmans, 11 august 2021.
- A4. Interview toeristenbelasting. Conducted by S. Schuurmans, 24 august 2021.
- A6. Interview toeristenbelasting. Conducted by S. Schuurmans, 1 oktober 2021.
- Allers, M., A., Akkermans, B., Rijken, E., C., A., Greve, E., A., J., L., Hardonk, A., Verhoogt, P., Verlinde, H. (2003). Feitenonderzoek toeristenbelasting (3810). Ministerie van Economische Zaken, Hoofddorp.
- B1. Interview toeristenbelasting. Conducted by S. Schuurmans, 23 august 2021.
- B2. Interview toeristenbelasting. Conducted by S. Schuurmans, 10 oktober 2021.
- B3. Interview toeristenbelasting. Conducted by S. Schuurmans, 14 september.
- B4. Interview toeristenbelasting. Conducted by S. Schuurmans, 20 oktober 2021.
- Dunlop, C. (2013). Epistemic communities. In M. Howlett, S. Fritzen, W. Xun, & E. Araral (Eds.), *Routledge handbook of public policy* (pp. 229–243). NY: Routledge, New York.
- Dunlop, C., & Radaelli, C. (2013). Systematising policy learning: From monolith to dimensions. *Political Studies*, 61, 599–619.
- Elder, J., W. (2005). *Sociology. Social Measurement*, 559-568.
- Group NAO. (2020). White Paper: Destination funding and the impact of tourism taxes on European cities and urban communities. Group NAO, Copenhagen.
- HISWA-RECRON. Wat doet HISWA-RECRON. Retrieved October 18, 2021, from <https://www.hiswarecron.nl/over-ons/wat-doen-we>.
- HISWA-RECRON & VNG. (2007). RECRON: 10 redenen om de toeristenbelasting af te schaffen. Retrieved March 10, 2021, from [https://vng.nl/files/vng/vng/Documenten/Extranet/Marz/BEL/toeristenbelasting\\_vng-recron\\_reactie.pdf](https://vng.nl/files/vng/vng/Documenten/Extranet/Marz/BEL/toeristenbelasting_vng-recron_reactie.pdf).
- Hoeben, C. (2018). Gemeenten heffen vaker en méér toeristenbelasting. COELO: Atlas van de lokale lasten 2020, Rijksuniversiteit Groningen.
- Hoeben, C., Toolsema, L., A., de Natris, J., G., & Allers, M., A. (2020). COELO: Atlas van de lokale lasten 2020, Rijksuniversiteit Groningen.
- Holecek, D., Forsberg, P., & Myers, J. (1994). *Travel and tourism: Issues in tax policy*. World Travel and Tourism Council, Brussels.
- Howlett, M., & Ramesh, M. (1993). Patterns of Policy Instrument Choice: Policy Styles, Policy Learning and the Privatization Experience. *Policy Studies Review*, 12(1-2), 3-24.
- Hughes, H., L. (1981). A tourism tax – the cases for and against. *International Journal of Tourism Management*, 196-206.
- KHN. Belangenbehartiging voor de horeca. Retrieved september 17, 2021, from <https://www.khn.nl/lobby/khn-lobby>.
- Klijs, J., de Groot, E., Ridderhof, J., Ijben, H., Noordhoek, M., & Heslinga, J. (2021). *Maatschappelijke waarde van toerisme en recreatie*. CELTH, Breda.
- Knight, C., G. (2001). Human-Environment Relationship: Comparative Case Studies. *Social & Behavioral Sciences*, 7039-7045.
- Magaldi, D., & Berler, M. (2018). *Semi-structured Interviews*. Springer International Publishing AG, 1-6.

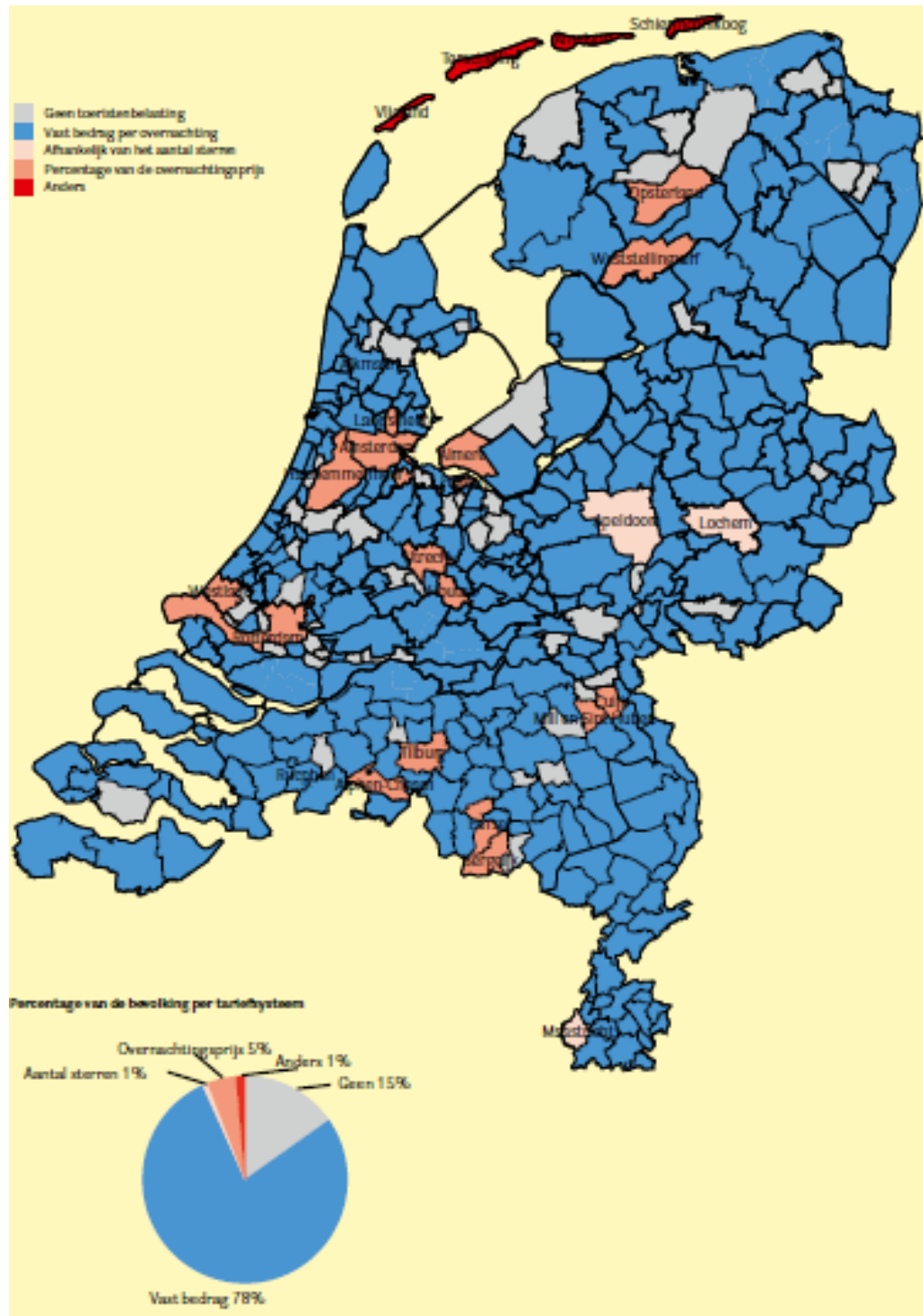
- Moyson, S., Scholten, P., & Weible, C., M. (2017). Policy learning and policy change: theorizing their relations from different perspectives. *Policy and Society*, 36(2), 161-177.
- Pietersma, M., Haagen, R., & Gosens, T. (2019). Stapeling van lasten voor recreatie-ondernemers. ZKA Strategy, s'-Hertogenbosch.
- Larhlid, A., Carey, S., Trinh, T., O'Donovan, N., Pöschl, C., Gillham, J., Kupelian, B., Jain, S., Markovitch, T., Wagenaar, L., Blanche, M., Arnold, M. (2017). The Impact of Taxes on the Competitiveness of European Tourism. PricewaterhouseCoopers LLP, London.
- Remkes, J., W. (December 3, 2004). Toerisme en recreatie: Brief minister over toeristenbelasting ( KST82278). Ministerie van Binnenlandse Zaken en Koninkrijksrelaties, Den Haag.
- Rotaris, L., & Carrozzo, M. (2019). Tourism taxes in Italy: A sustainable perspective. *Journal of Global Business Insights*, 4(2), 92-105.
- Rubin, A., & Babbie, E., R. (2013). *Essential research methods for social work* (3<sup>rd</sup> edition). Brooks/Cole Cengage Learning.
- Sabatier, P. (1993). Policy change over a decade or more. In P. A. Sabatier & H. C. Jenkins-Smith (Eds.), *Policy change and learning: An advocacy coalition approach* (pp. 13–39). CO: Westview Press, Boulder.
- Sheng, L. (2017). Factors determining the success or failure of a tourism tax: a theoretical model. *Tourism Review*, 72(3), 274-287.
- Stallmann, J., I. (2004). *Evaluating Tax Systems*, Report 17-2004. Missouri Legislative Academy, Missouri.
- VNG. (2020). Toeristenbelasting. Retrieved March 3, 2021, from <https://vng.nl/artikelen/toeristenbelasting>.
- WTTC. (2018). *Fairer and more intelligent tax policies in Travel & Tourism: A policies for growth white paper*. London School of Economics, London.
- Zito, A., & Schout, A. (2009). Learning theory reconsidered: EU integration theories and learning. *Journal of European Public Policy*, 16, 1103–1123.



# Appendix

## Appendix I

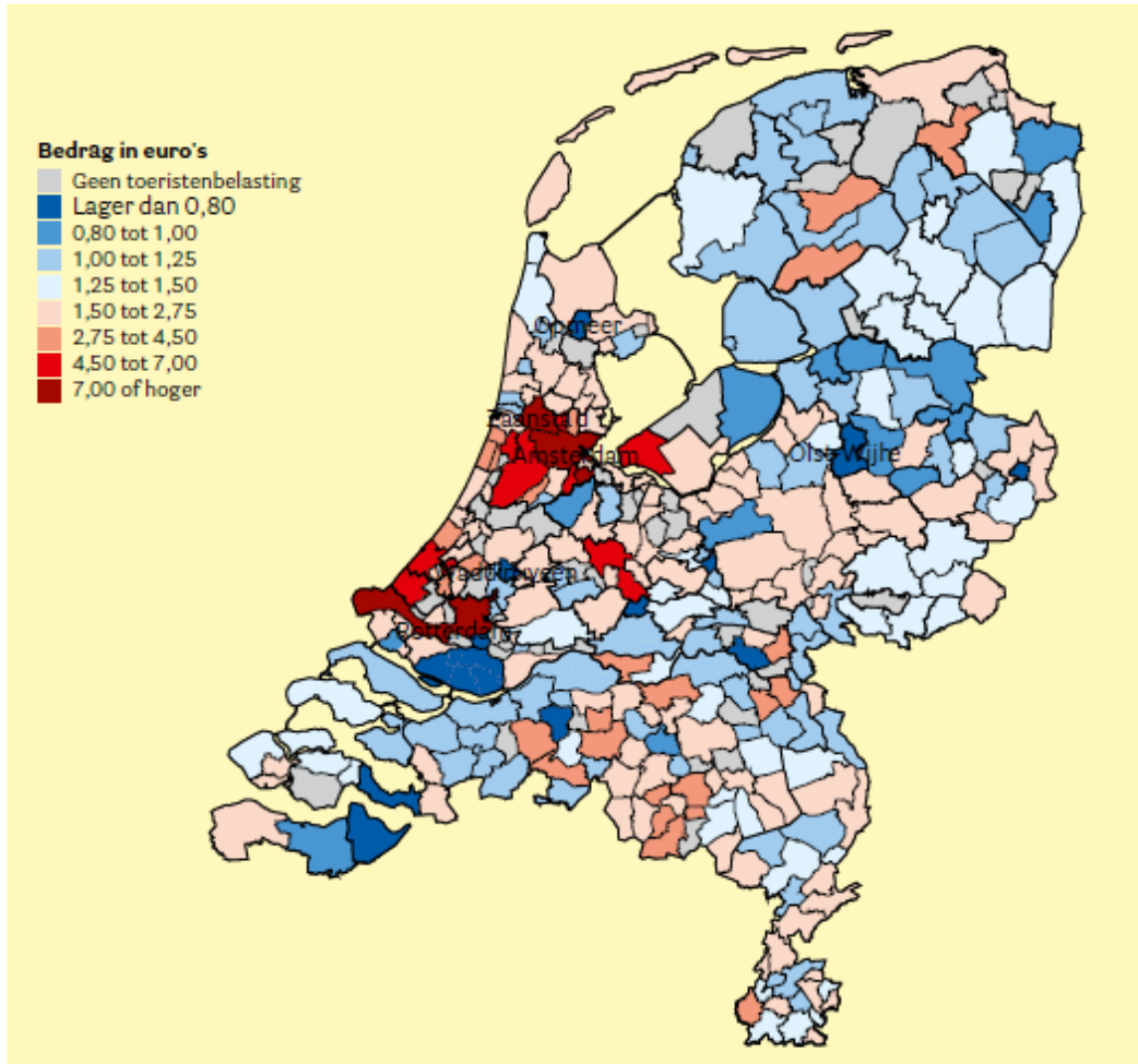
Figure I. Occupancy tax structure.



Hoeben et al (2020). Toeristenbelasting: tariefsysteem. Retrieved from COELO: Atlas van de lokale lasten 2020. Copyright by Hoeben et al (2020).

## Appendix II

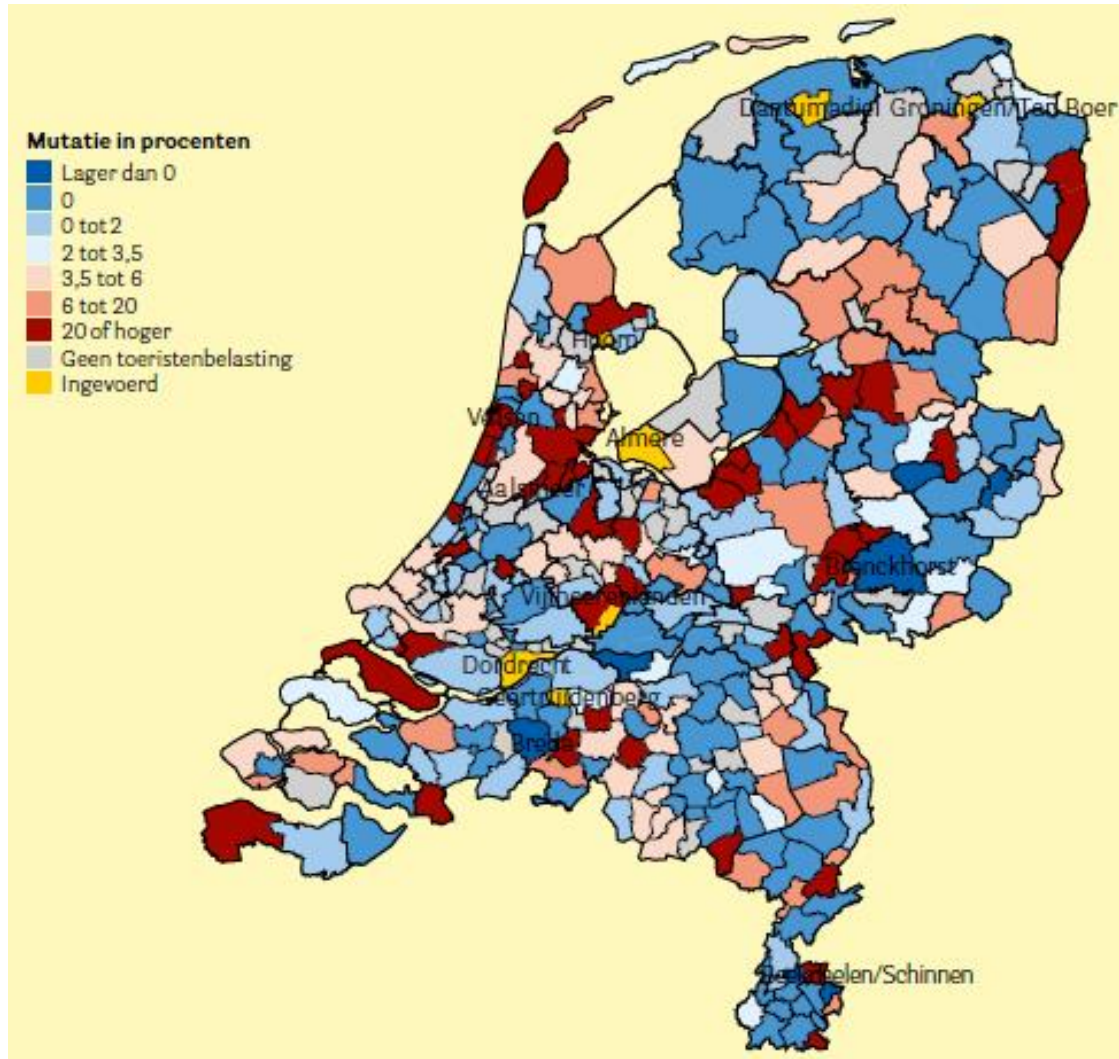
Figure II. Occupancy tax level.



Hoeben et al (2020). *Tarief toeristenbelasting*. Retrieved from COELO: *Atlas van de lokale lasten 2020*. Copyright by Hoeben et al (2020).

### Appendix III

Figure III. Occupancy tax mutation in percentages



Hoeben et al (2020). Mutatie tarief toeristenbelasting. Retrieved from COELO: Atlas van de lokale lasten 2020. Copyright by Hoeben et al (2020).

## Appendix IV

Interviewee	
Interviewer	Sjors Schuurmans
Date	

Dear sir/madam,

My name is Sjors Schuurmans and at the moment I am writing my thesis about the development of the occupancy tax. Last year I worked for European Tourism Futures Institute (ETFI) which might be familiar to you. Jasper Heslinga has provided me with your email address for contacting you about participation in my thesis.

The participation includes one interview of 30/45 minutes about the understanding of the development of the (municipality) over time. Why the occupancy tax is highly diverse and complex in each municipality, and if municipalities should levy an occupancy tax is part of this understanding. The outcome of the research could help in the further development of the occupancy tax which is as well part of DataFryslân.

The interview will be recorded and used for transcription. After completing the transcription, the recorded file will be deleted. Moreover, the information resulting from the interview could be confidential and is only shared with your permission and conditions of you.

Best regards,

Sjors Schuurmans

<b>A) Introduction</b> 1) How would you describe the occupancy tax in the municipality? 2) Why has the occupancy tax (not) been implemented?
<b>B) Micro-level</b> 1) What have been the considerations among policy actors in shaping the occupancy tax? 2) How have the considerations among policy actors originated? 3) Why do policy actors have these considerations?
<b>B) Meso-level</b> 1) Are tourism stakeholders (accommodation providers and tourism industry associations) involved in shaping the occupancy tax? 2) Why are the tourism stakeholders (not) involved? 3) How are tourism stakeholders involved? 4) What is the contribution of involving the tourism stakeholders in shaping the occupancy tax?

**C) Macro-level**

- 1) Are the occupancy taxes in the municipalities of Datafryslân related to each other or elsewhere?
- 2) Why are the occupancy taxes related to each other?
- 3) How are the occupancy taxes related to each other?
- 4) What is the relation of the occupancy taxes?