



KEVIN HOLLINRAKE MP  
HOUSE OF COMMONS  
LONDON SW1A 0AA

Mayor David Skaith  
York and North Yorkshire Combined Authority  
County Hall  
Racecourse Lane  
Northallerton  
DL7 8AD

16<sup>th</sup> February 2026

Dear Mayor Skaith,

**Re: Tourism Levy for North Yorkshire**

As Members of Parliament for North Yorkshire, we make clear our firm opposition to the proposed Tourism Levy currently under consideration by the York and North Yorkshire Mayoral Combined Authority. We do not believe this levy should proceed.

As you know, tourism is fundamental to North Yorkshire's economy and identity. It is sustained overwhelmingly by small, independent and family run businesses operating on narrow margins. A tourism levy would amount to a tax on family holidays and on the family businesses that depend on them, at a time when both are already facing significant cost pressures. The proposal is simply wrong in principle and should not be taken forward. If the Combined Authority continues to pursue this proposal despite the widespread opposition, it is essential that the serious risks to businesses and visitors are fully understood and addressed.

A recurring concern raised with us is the lack of clarity around who would ultimately bear the burden of the levy. Businesses remain uncertain whether it would apply solely to overnight leisure stays, extend to business travel, or be expanded to capture day visitors through parking, food and drink or attractions. Many accommodation providers fear they would be left as tax collectors, absorbing card processing fees and related costs, with no assurance that collection mechanisms would be simple or cost neutral.

There is also significant anxiety about how levy income would be treated for tax purposes. For businesses operating below the VAT threshold, even modest additional turnover linked to the levy could push them into VAT registration, with serious consequences for pricing, competitiveness and long-term viability. Without explicit protections, the levy risks penalising growth and forcing some businesses to reduce capacity or close altogether.

Concerns have also been raised about governance and accountability. Businesses want to know whether funds raised in their communities would be reinvested locally, or whether revenue would be absorbed into a central pot with limited transparency or influence from those generating it. There is strong feeling that, if any such levy were ever imposed, proceeds would need to be clearly ringfenced and demonstrably benefit the places and businesses from which they are raised.

Finally, there remains an absence of clear, publicly available estimates for the cost of administering the levy. Without a full understanding of collection, enforcement and compliance costs, it is impossible to judge whether the policy would deliver any meaningful net benefit or simply introduce additional bureaucracy.

For these reasons, we do not support the introduction of a tourism levy in North Yorkshire. The current process should be paused, detailed impact assessments published and meaningful engagement undertaken with MPs and local tourism organisations before any further steps are taken.

We look forward to your response.

Yours sincerely,



Kevin Hollinrake  
MP for Thirsk & Malton



Rishi Sunak  
MP for Richmond & Northallerton



Julian Smith  
MP for Skipton & Ripon



Alec Shelbrooke  
MP for Wetherby & Easingwold