



FEDERAL POLICY PRIORITIES

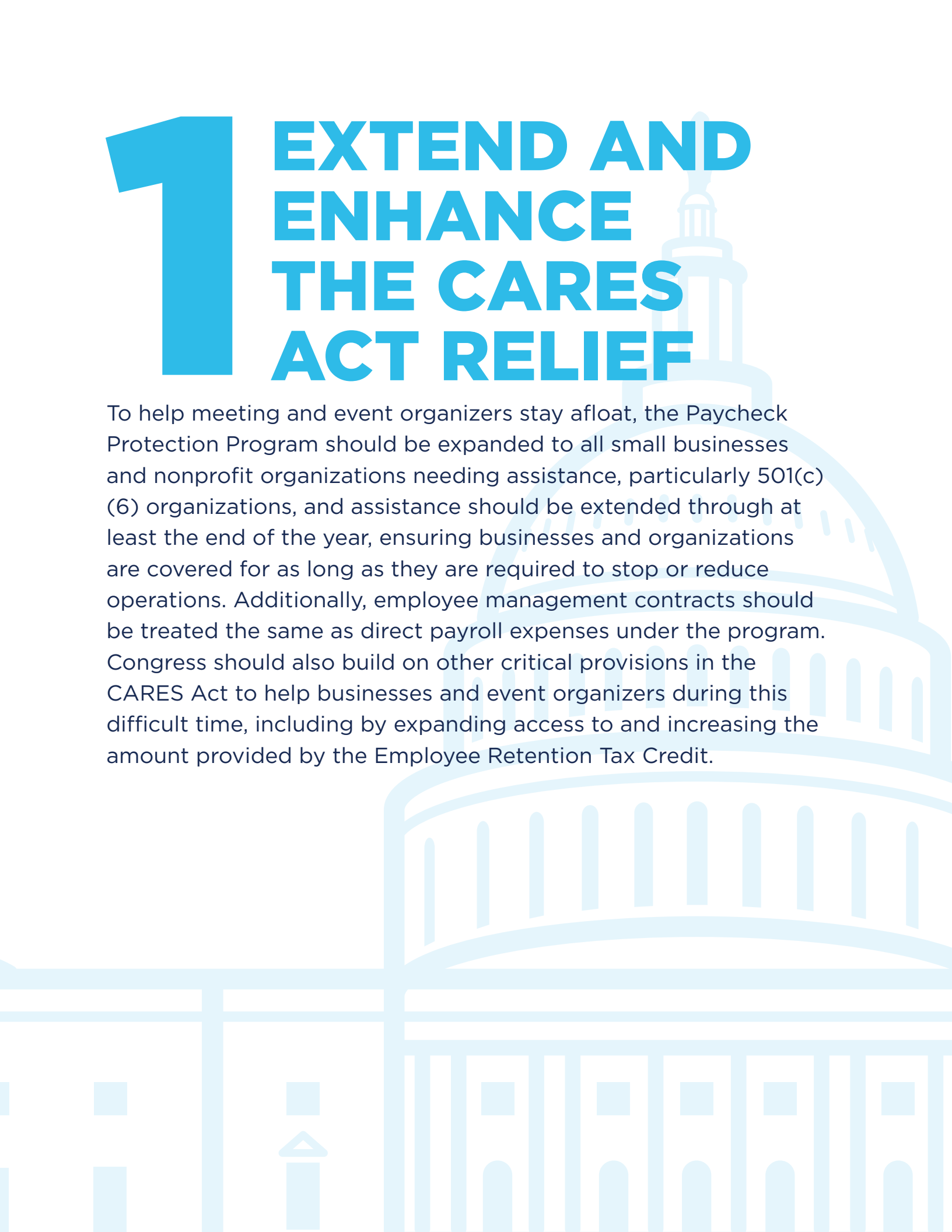
Paving the way for COVID-19 recovery by delivering ongoing economic relief for meetings and events businesses



MEETINGS MEAN BUSINESS

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1 EXTEND AND ENHANCE THE CARES ACT RELIEF



To help meeting and event organizers stay afloat, the Paycheck Protection Program should be expanded to all small businesses and nonprofit organizations needing assistance, particularly 501(c)(6) organizations, and assistance should be extended through at least the end of the year, ensuring businesses and organizations are covered for as long as they are required to stop or reduce operations. Additionally, employee management contracts should be treated the same as direct payroll expenses under the program. Congress should also build on other critical provisions in the CARES Act to help businesses and event organizers during this difficult time, including by expanding access to and increasing the amount provided by the Employee Retention Tax Credit.

2

ENSURE BUSINESSES ARE PROTECTED FROM COVID-19 RELATED FINANCIAL RISKS

Protect businesses and organizations from any financial risks related to COVID-19 if they reopen according to state reopening plans and Federal health and safety guidelines, including by:

- Enacting a limited safe harbor from litigation for COVID-19 related claims; and
- Creating a federal backstop to stabilize the market for business interruption and event cancellation insurance, ensuring they cover pandemic-related losses in an affordable, effective and sustainable way.

3

INCENTIVIZE A SAFE RESTART OF THE MEETINGS AND EVENTS ECONOMY

To stimulate and facilitate a quick recovery, legislation must be enacted to provide an employer tax credit for meetings and events, provide a temporary travel tax credit for individuals, allow businesses to fully deduct food and entertainment expenses, and help businesses cover the cost of meeting new health and safety guidelines.

Create a Meetings and Events Tax Credit

To stimulate economic activity in the meetings and events sector, Congress should create a temporary, refundable payroll tax credit for businesses and nonprofit organizations through 2022, worth 50 percent of compensation paid to any employee that travels to a qualified business event, capped at \$10,000 per quarter for each traveling employee. A qualified business event would include any event or meeting in which two or more unrelated parties travel away from home to physically meet at a place of public accommodation for the purpose of engaging in commerce, negotiation for commerce, professional development or marketing. Eligible sites would include any hotel, restaurant, stadium, or convention center in the U.S.

Create a Temporary Travel Tax Credit

Congress should create a new tax credit to stimulate business and leisure travel by individuals in the United States. The tax credit should be worth 50 percent of qualified travel expenses incurred in the U.S. between the date of enactment and December 31, 2021, up to a maximum tax credit of \$4,000 per household. Qualified travel expenses should include any expense over \$50 that is incurred while traveling away from home in the U.S., with explicit reference to the expense of meals, lodging, recreation, transportation (including gasoline), amusement or entertainment, trade shows, conventions, exhibitions and business meetings.

Allow Full Deductibility of Food and Entertainment Business Expenses

Congress should restore the full deductibility of ordinary and necessary entertainment and food and beverage business expenses for at least 3 years, allowing the deduction to phase down to 50 percent thereafter.

Create A Tax Credit for Health and Safety Supplies and COVID-19 Related Cleaning Services

Congress should provide a tax credit for businesses to help them offset the cost of meeting new health and safety guidelines and cleaning services related to COVID-19. The tax credit should be refundable and cover at least 50 percent of any cost incurred this year and next year.

4

STRENGTHEN THE FEDERAL ROLE IN COVID-19 TESTING, PRODUCTION, RESEARCH AND CONTACT TRACING

The Federal government should develop a comprehensive and achievable plan for ensuring COVID-19 testing is available in all areas of the travel ecosystem, along with robust contact tracing, to reduce the risk of exposure to travel consumers and workers. Additionally, funding must be provided to increase access to testing supplies and to support the development of new technologies that can provide real-time test results. As a leading voice on the White House's Economic Recovery Task Force, Roger Dow, U.S. Travel's President and CEO, is working with national leaders to advance such a plan.



5

TEMPORARILY FREEZE FEDERAL PER DIEM RATES

To prevent a reduction in Federal spending on meetings and events, Federal per diem rates should be frozen for two years according to current per diem rates, rather than any new rates based on the depressed figures of a crippled travel economy.