



IAAPA is the global association for the attractions industry, representing major theme parks, local and destination fixed-site attractions, water parks, family entertainment centers, museums, zoos and aquariums, and manufacturers and suppliers. IAAPA's U.S. members employ over 700,000 people in over 5,450 businesses with an annual economic impact of \$51.6 billion on the U.S. economy.

IAAPA members have been closed and severely harmed due to the COVID-19 pandemic. As they begin to open around the country, they are doing so in most locations at substantially reduced capacity. Many IAAPA members are seasonal businesses or businesses with substantial attendance and revenue surges during summer or holiday periods. IAAPA estimates nationally the COVID-19 pandemic will cause \$23 billion in economic losses for attractions in 2020. With more than 50% of attractions having to make staffing adjustments and many facilities not reopening in 2020, more than 235,000 jobs have been lost across the U.S.

As Congress considers the next phase of COVID-19 related legislation, IAAPA urges you to consider the following issues to support the attractions industry through the COVID crisis:

### **Small Business Administration Loans**

- More modifications to the Paycheck Protection Program (PPP) are needed to assist eligible IAAPA members:
  - Extend and authorize additional funding for the program through December 31, 2020, prioritizing lending to severely impacted businesses such as those required to close or operate at reduced capacity because of COVID-19 related concerns.
  - Clarify that tax deductions for ordinary business expenses and other tax incidents shall not be affected by the exclusion from gross income of amounts received through the PPP.
  - Increase borrowing limits for new borrowers to eight times the average monthly sum of all covered expenses - including operating costs, increasing maximum loan amount to \$25 million.
  - Severely impacted businesses that have already been approved for loans should have the ability to apply for additional loans up to the maximum amount allowable.

### **Liability Protection**

- Provide targeted COVID-19 liability protection for businesses that are following best practices to protect guests and workers against COVID-related illness.

### **Tax Credits**

- Support the bi-partisan *Jumpstarting Our Businesses Success Credit* (JOBS Credit), which among other things, modifies the Employee Retention Tax Credit (ERTC), by:
  - Increasing the credit percentage to 80 percent of qualified wages,
  - Increasing the per-employee limitation to \$15,000 per calendar quarter,
  - Changing the threshold for treatment as a large employer to employers having more than 1,500 employees (based on the average number of full-time employees in 2019) or
  - Having gross receipts above \$41.5 million in 2019, enabling ERTC eligibility for PPP recipients, and
  - Clarifying that "qualified wages" include qualified health plan expenses.
- Create a temporary travel tax credit worth 50 percent of qualified travel expenses incurred in the U.S. during a specified 12-month period up, to a maximum tax credit of \$4,000 per household in order to incentivize a restart of the travel economy. Qualified travel expenses would include meals, lodging, recreation, transportation, amusement or entertainment, businesses meetings or events, and gasoline.



- Tax credits for purchase of goods and services which enable businesses to safely reopen. Eligible expenditures would include sanitation products, protective equipment and employee training to ensure businesses are operating safely.
- Enact tax measures to help revitalize U.S. Trade Shows, Meetings and Exhibitions. These tradeshows are essential for industries, promote product and service sales and support hosting communities. Tax measures supporting trade shows will jump start the economy across all sectors.

#### **Federal Backstop for Pandemic Risk Insurance**

- Provide reinsurance for pandemic risk insurance to help businesses and organizations avoid going bankrupt in the wake of future pandemics. The program should cover commercial line of business interruption or event cancellation insurance that covers losses stemming from a public health emergency.

#### **Animal Care Financial Assistance**

- Provide \$800 million in federal support to help the zoological community cover the critical ongoing animal care costs, including food, medicine and medical supplies, diagnostics, environmental testing, life support and other costs related to animal care, while their gates remain closed and even as they begin to reopen to restricted crowd sizes. The aid is sought for all APHIS-licensed zoos and aquariums, regardless of whether they are structured as a nonprofit or a for-profit institution, and regardless of which trade association(s) they are accredited by.

#### **Program Eligibility**

- For purposes of program eligibility for PPP, Mainstreet or any other program basing business size on employee count, eligibility for seasonal businesses such as those in the attractions industry should be based on year around employees, not seasonal employees.

#### **Support for Severely Impacted Businesses**

- Grants or long-term low interest rate loans should be made available to businesses which can verify that their revenues have been severely impacted due to state or local COVID-related safety requirements requiring them to limit their operating capacity.

Updated: July 15, 2020