

10-17-2007

# Proposed Cruise Tax Would Help Fund Upgrades at Tourist Seaports

LADB Staff

Follow this and additional works at: <https://digitalrepository.unm.edu/sourcemex>

---

## Recommended Citation

LADB Staff. "Proposed Cruise Tax Would Help Fund Upgrades at Tourist Seaports." (2007). <https://digitalrepository.unm.edu/sourcemex/5155>

This Article is brought to you for free and open access by the Latin America Digital Beat (LADB) at UNM Digital Repository. It has been accepted for inclusion in SourceMex by an authorized administrator of UNM Digital Repository. For more information, please contact [amywinter@unm.edu](mailto:amywinter@unm.edu).

## **Proposed Cruise Tax Would Help Fund Upgrades at Tourist Seaports**

*by LADB Staff*

*Category/Department: Mexico*

*Published: 2007-10-17*

The Mexican Congress is preparing to impose a tax of 56 pesos (US\$5.17) on foreign tourists who arrive at a Mexican seaport via a cruise ship. As expected, the proposal has attracted strong protests from the Mexican and international cruise industries, which claim that Mexico already has one of the highest port costs in the world. The tax is part of the federal fees package (Ley de Derechos) for 2008 prepared by the finance committee (Comision de Hacienda) in the Chamber of Deputies.

The majority of the revenues obtained from the tax, which is expected to raise about US\$30 million annually, will provide funds for ports used by cruise ships. "These municipalities can use the money for infrastructure, conservation, maintenance and vigilance of coastal zones," said Deputy Jorge Estefan Chidiac, chair of the finance committee.

A small portion of the revenue, about 20%, will be used to supplement the budget for the national immigration agency (Instituto Nacional de Migracion, INM).

As part of the federal fees package, the finance committee also announced new regulations for Mexican passports. Instead of having to obtain passports every five years, Mexicans will have the option of acquiring this document for periods of one, three, six, or 10 years, with fees charged accordingly.

The tax on cruise ships was announced at the time when the Florida-Caribbean Cruise Association (FCCA) was holding its annual meeting in the Mexican resort of Cozumel in early October. As expected FCCA members criticized the tax, arguing that Mexico would face a competitive disadvantage because of higher fees.

### ***Critics say increased costs could result in lost business***

The FCCA which is comprised of representatives of major companies like Carnival Cruise Lines, Celebrity Cruises, MSC Cruises Inc., and Norwegian Cruise also argued that higher costs could prevent the development of new ports for cruise ships in states like Chiapas. Mexico's most popular destinations for cruise ships include Mahahual, Cozumel, Cabo San Lucas, Costa Maya, Ensenada, Huatulco, Mazatlan, Progreso, Puerto Vallarta, and Zihuatanejo.

"Mexico has the most expensive ports in the world," said FCCA president Micky Arison, who is also an executive with Carnival Cruises. "A company like ours pays more than US\$20 million annually to ports in Mexico, and the new tax is going to worsen this situation."

Despite the fact that his community would stand to benefit from the revenues obtained from the tax, Cozumel Mayor Gustavo Ortega Joaquin came out against the proposal.

-- End --