2024

Economic and Fiscal Impacts

of the California Timeshare Industry

2024 EDITION
PREPARED BY EY

ARDA
Research & Insights

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Executive Summary

The California timeshare industry extends beyond the timeshare resorts with which customers are most familiar. The total economic contribution of the industry also includes the economic impacts of sales and marketing offices, corporate operations, construction of new resorts and the renovation of existing resorts, and the significant impact of expenditures of vacationers during timeshare stays in the state. This document presents estimates of the economic and state and local tax benefits generated by the timeshare industry in the state of California.

As shown in Tables ES-1 and ES-2 below, the timeshare industry in California accounted for 23,565 jobs, $4.9 billion of output, nearly $1.7 billion in labor income, and $0.4 billion in state and local tax revenue. Around 6% of the timeshare industry's economic contributions take place in California for employment, labor income, and output, and 9% of the industry's state and local taxes.

Table ES-1. Economic Impacts of the Timeshare Industry in California, 2023
Millions of dollars; Number of part- and full-time jobs

Impact	Direct	Indirect & induced	2023 total	Share of national
Employment	13,372	10,193	23,565	6%
Labor income	$927	$761	$1,688	6%
Output	$2,687	$2,240	$4,927	6%
State & local taxes	$314	$91	$405	9%

Note: Includes impacts related to resort operations, corporate office operations, sales office operations, consumer expenditures, and capital expenditures in 2023.
Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey and EY analysis using the IMPLAN input-output model.

Table ES-2. Summary of Fiscal Impacts of the California Timeshare Industry, 2023
Millions of dollars

	State taxes	Local taxes	Total taxes
Resorts	$86	$213	$299
Corporate	$3	$1	$4
Sales and marketing	$24	$11	$34
Vacation expenditures	$43	$19	$62
Capital expenditures	$4	$2	$6
Total	**$159**	**$246**	**$405**

Note: Numbers may not appear to sum due to rounding.
Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

Survey Results

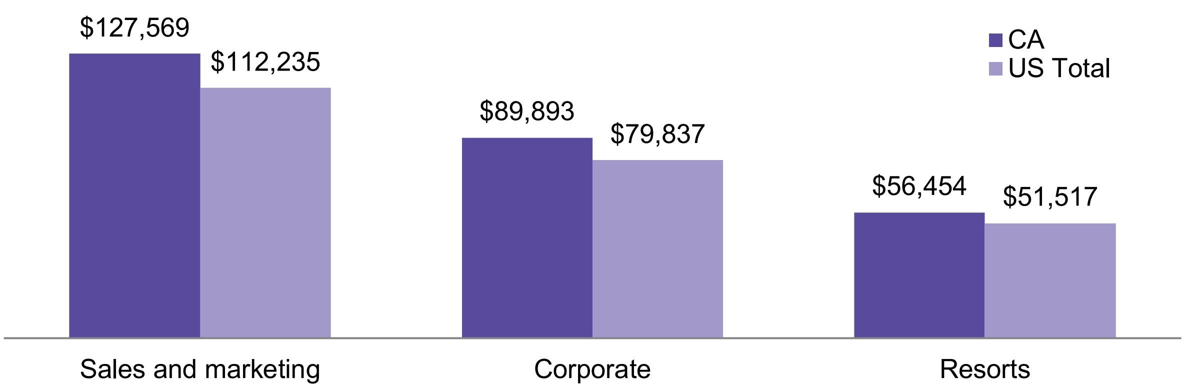
The primary data source for the economic and fiscal impacts is a survey of timeshare resorts, developers, and management companies. This survey was conducted by EY for ARDA Research & Insights in early 2024. The survey combined both State of the Industry questions and Economic Impact questions in one master survey. The survey data was extrapolated to reflect the timeshare industry in California.[1] The identified timeshare resorts in California were sent a survey questionnaire. It is estimated that there are 17,538 timeshare units at 131 resorts in California.[2]

Table 1. Direct Industry Operations Survey Data for California, 2023
Millions of dollars; Number of part- and full-time jobs

	Employment	Employee compensation	Economic output
Resort operations	7,638	$431	$1,697
Corporate headquarters	200	$18	$42
Sales and marketing	1,416	$181	$291
Total	**9,254**	**$630**	**$2,030**

Note: Does not include off-site vacation expenditures and capital expenditure data.
Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey and EY analysis.

Figure 1. Average Annual Compensation by Industry Function in California, 2023
Including payroll taxes and other benefits



Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey and wage trends from the Bureau of Labor Statistics.

1 This study excludes fractional resorts, Private Residence Clubs, and Destination Clubs.

2 The total number of timeshare units in California is estimated as the number of California resorts (48) multiplied by the average number of units per resort (101). Total may not match due to rounding.

Table 2. Capital Expenditures in the California Timeshare Industry, 2023
Millions of dollars

Capital expenditures	Direct spending
Resort capital expenditures	$51
New construction	$0
Renovation	$51
Sales and corporate capital expenditures	$2
New construction	--
Renovation	$2
Total capital expenditures	**$53**

Note: Renovation costs include costs related to renovation, furniture, fixtures, equipment (FF&E), and other capital expenditures. New construction costs include expenses related to the purchase of land, construction, FF&E, and other capital expenditures.

Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey and EY analysis.

ARDA Research & Insights commissioned Sports & Leisure Research Group, a market research company, to collect data via a survey on vacation expenditures by timeshare owners and visitors during their California timeshare vacations in the last year, which is summarized in Table 3. This data is used to estimate the impact of timeshare vacationer spending on the California economy.

Table 3. Detailed Vacation Expenditure Spending Data[1]

	Average per party			
Vacation spending data	***On-site spending***	***Off-site spending***	***Total spending***	**Total off-site spending ($mil)**
Air transportation services	--	$836	$836	$208
Entertainment and recreation	$339	$298	$637	$74
Hotels and motel services[2]	$639	$603	$1242	$150
Restaurants & bars	$168	$200	$368	$50
Clothing and clothing accessories	$151	$146	$297	$36
Groceries	$164	$163	$327	$41
Ground transit	--	$88	$88	$22
Gasoline stations	--	$145	$145	$36
Miscellaneous	$75	$57	$132	$14
Rental cars	--	$160	$160	$40
Theme parks & museums	$152	$151	$303	$38
Fitness & sports	$306	$242	$548	$60
Total	**$1,994**	**$3,089**	**$5,083**	**$770**
Average spending per person[3]	**$643**	**$996**	**$1,640**	

1 Does not include gambling wins and losses.

2 Hotel and motel on-site expenditures are captured by the 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey as rental revenue and are not included in "on-site spending" referenced throughout the text.

3 Average travel party size is 4.2 people in California.

Source: 2024 Shared Vacation Ownership Owners Survey, prepared by Sports and Leisure for ARDA Research & Insights.

Economic and Fiscal Impact Results

Using an economic model of the California economy developed by IMPLAN Group LLC and customized by EY, this analysis estimated the direct and indirect economic impacts of the timeshare industry. The survey data discussed above was used to generate the direct impacts that served as inputs into the IMPLAN model. The timeshare industry's direct operations create purchases from suppliers, employee compensation, and other forms of capital income. These various payments to factors of production (labor and capital) and suppliers create additional indirect economic impacts. The industry's supplier purchases result in higher levels of additional sales, employment, and income by suppliers. This impact on suppliers is known as the "indirect" economic impact. The re-spending of employee compensation and other types of income by employees and owners of the timeshare industry creates additional spending by consumers at restaurants, retailers, and other businesses that sell to consumers. The impact from additional consumer spending is referred to as the "induced" economic impact.

Table 4. Direct Economic Output Generated by California Resort Operations, 2023
Millions of dollars

	Amount
Rental revenue	$319
Maintenance fees	$1,041
On-site consumer spending	$338
Direct economic output	**$1,697**

Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey, IRS Income Statistics, BEA, and EY analysis.

Table 5. Direct Economic Output Generated by California Corporate, Sales and Marketing Operations, 2023
Millions of dollars

	Corporate headquarters	Sales and marketing
Labor income	$18	$181
Non-labor operating expenses	$23	$109
Profits	$1	$1
Direct economic output	**$42**	**$291**

Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact, IRS Income Statistics, BEA, and EY analysis.

Table 6. Detailed Economic Impacts of the California Timeshare Industry, by Function, 2023

Millions of dollars; number of part- and full-time jobs

Output	**Direct**	**Indirect & induced**	**Total**
Industry operations	$2,030	$1,663	$3,693
Resorts	$1,697	$1,315	$3,012
Corporate	$42	$47	$89
Sales and marketing	$291	$301	$592
Vacation expenditures	$610	$533	$1,143
Capital expenditures	$46	$44	$91
Total	**$2,687**	**$2,240**	**$4,927**

Employment	**Direct**	**Indirect & induced**	**Total**
Industry operations	9,254	7,654	16,907
Resorts	7,638	6,107	13,745
Corporate	200	198	397
Sales and marketing	1,416	1,349	2,765
Vacation expenditures	3,925	2,352	6,276
Capital expenditures	194	188	381
Total	**13,372**	**10,193**	**23,565**

Income	**Direct**	**Indirect & induced**	**Total**
Industry operations	$689	$569	$1,259
Resorts	$486	$451	$936
Corporate	$18	$17	$34
Sales and marketing	$186	$102	$288
Vacation expenditures	$221	$177	$399
Capital expenditures	$17	$14	$31
Total	**$927**	**$761**	**$1,688**

Note: Labor income includes employee compensation shown in Table 1 and proprietor income.
Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey and EY analysis using the IMPLAN input-output model.

Table 7. Summary of Direct, Indirect, and Induced Fiscal Impacts of the California Timeshare Industry by Function, 2023
Millions of dollars

	State taxes	Local taxes	Total taxes
Property tax	**$3**	**$85**	**$88**
Resorts	$2	$65	$67
Corporate	$0	$1	$1
Sales and marketing	$0	$8	$8
Vacation expenditures	$0	$10	$11
Capital expenditures	$0	$1	$1
General sales tax	**$35**	**$14**	**$49**
Resorts	$13	$5	$19
Corporate	$0	$0	$1
Sales and marketing	$4	$2	$6
Vacation expenditures	$15	$6	$22
Capital expenditures	$2	$1	$2
Other taxes	**$121**	**$147**	**$268**
Resorts	$71	$143	$214
Corporate	$2	$0	$3
Sales and marketing	$19	$2	$21
Vacation expenditures	$27	$2	$29
Capital expenditures	$2	$0	$2
Total	**$159**	**$246**	**$405**

Note: Numbers may not appear to sum due to rounding.
Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.

Table 8. Summary of Direct, Indirect, and Induced Fiscal Impacts of the California Timeshare Industry by Tax Type, 2023
Millions of dollars

	State taxes	Local taxes	Total taxes
Property taxes	$3	$85	$88
General sales taxes	$35	$14	$49
Occupancy taxes	--	$138	$138
Excise taxes	$11	$3	$14
License taxes	$3	$0	$3
Corporate income tax	$22	--	$22
Individual income tax	$82	--	$82
Medicare and SSI tax	--	--	--
Misc. taxes	$3	$6	$9
Total taxes	**$159**	**$246**	**$405**

Note: Numbers may not appear to sum due to rounding.
Source: 2024 US State of the Vacation Timeshare Industry and Economic Impact Survey, IRS Income Statistics, BEA, and EY analysis using the IMPLAN input-output model.