

Framing tourism taxes: How psychological distance, social norms, and transparency shape fairness perceptions and tourist payment decisions

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INTRODUCTION

As tourism taxes have been increasingly adopted worldwide, the perceived cost of travel among tourists has steadily risen. In response to the cumulative structural challenges associated with tourism development—such as overtourism, resource depletion and environmental degradation, and mounting pressure on public infrastructure—governments and destination authorities have introduced various forms of tourism-related taxation, including visa fees, entry and exit charges, hotel taxes, passenger service fees, road taxes, rental car levies, and ecological or environmental taxes (Adedoyin et al., 2023; Durbarry, 2008; Gooroochurn & Sinclair, 2005). These fiscal instruments function as policy mechanisms to internalize the externalized costs of tourism activities and to secure or substitute financial resources for the maintenance and improvement of tourism services and public infrastructure (Göktaş & Çetin, 2023).

The significance of tourism taxation becomes particularly pronounced in island destinations characterized by high levels of tourism dependence. In many of these islands, tourism constitutes the primary economic sector and represents a significant source of government revenue (Mohan & Strobl, 2024). Precisely because of this structural dependence, the accumulation of tourism-related pressures intensifies the policy rationale for reallocating a portion of these costs to visitors through taxation mechanisms. In practice, prominent island and coastal destinations—such as Bali, Venice, and the Maldives—have introduced tourism taxes or environmental conservation levies to secure fiscal resources, manage visitor demand, and support environmental sustainability simultaneously.

However, tourism taxes are frequently perceived as imposing immediate financial costs on tourists, and concerns about potential declines in visitation have led to considerable debate within local communities. Although tourism involves the consumption of publicly provided goods and infrastructure for which non-resident visitors do not directly bear the associated costs, tourism taxation can be normatively justified as a mechanism to internalize these externalities and restore distributive balance (Gooroochurn & Sinclair, 2005). In practice, however, sensitivity to price increases, concerns about double taxation, perceptions of fairness, and issues of policy trust converge to generate substantial social resistance (Povitkina et al., 2021). Consequently, tourism taxation has become a highly contested policy instrument, marked by the simultaneous intensification of policy necessity and public opposition.

Prior research on tourism taxation has primarily focused on willingness to pay and policy acceptance (Göktaş & Çetin, 2023; Rosselló-Nadal & Sard, 2026), as well as tourism demand, economic effects, and industry impacts (Adedoyin et al., 2023; Durbarry, 2008). These studies have contributed to estimating optimal tax levels and assessing changes in demand, consumption reduction, and broader economic spillovers. However, limited attention has been given to the perceptual structures through which tourism tax acceptance is formed. As temporary visitors who do not become embedded in destinations, tourists are more likely to exhibit diffused responsibility in their use of public goods. Under such conditions, justice-based normative arguments centered on “fair burden-sharing” may be insufficient to explain tourism tax acceptance. Empirical evidence from policy processes further suggests that social persuasion and value acceptability, rather than economic rationality alone, often shape policy outcomes (Jang et al., 2024).

Accordingly, this study approaches tourism tax acceptance not merely as a matter of price sensitivity but as an issue of policy perception and interpretation. The objective is to examine a pathway in which tax framing influences tax acceptance through perceived fairness as a mediator, ultimately extending to destination avoidance intention. Tourism taxes are characterized by structural asymmetry: costs are

immediate and salient, whereas benefits are delayed and dispersed. Such asymmetry may induce psychological distancing from policy outcomes, thereby weakening judgments of policy legitimacy. During the policy adoption process, tourism taxes often become entangled with negative public opinion, concerns about double taxation, and debates over fairness. In this context, social norms—reflected in perceptions of others' behaviors and expectations—may shape fairness judgments and willingness to accept the tax. Policy transparency, particularly the clarity and accountability of revenue use, further determines whether the tax is perceived as a legitimate policy instrument rather than a mere price increase (Holzinger & Biddle, 2016).

Building on this reasoning, the study conceptualizes psychological distance, social norms, and policy transparency as moderating factors in the relationship between framing and perceived fairness, examines how these factors alter the psychological pathway leading to tax acceptance and destination avoidance intention. To empirically test the framework, a series of scenario-based experiments will be conducted.

LITERATURE REVIEW

Framing theory. Framing theory posits that the way information is presented shapes individuals' perceptions and interpretations, thereby influencing their judgments and decision-making processes (Chong & Druckman, 2007). Due to the framing effect, if the same amount is named as a 'tourism tax', it is expected that there will be greater resistance as it will be perceived as an additional economic burden, whereas if it is framed as an 'environmental conservation fee', the positive purpose of environmental protection will be emphasized, and social acceptance will be expected to be higher.

Construal Level Theory. Construal Level Theory posits that psychological distance shapes how individuals mentally represent objects or events (Trope & Liberman, 2010). Issues perceived as psychologically close are construed in more concrete and contextualized terms, whereas distant issues are interpreted more abstractly. Psychological distance encompasses temporal, spatial, social, and hypothetical dimensions, and prior research in environmental and climate change contexts suggests that greater proximity strengthens responsibility perceptions, emotional responses, and behavioral intentions (Maiella et al., 2020; McDonald et al., 2015; Chu & Yang, 2019).

Social Norm Theory. Social Norm Theory asserts that individuals' behavior is largely shaped by their perceptions of social approval or expectations, which are influenced by how others act (Perkins & Berkowitz, 1986). Descriptive norms concern perceptions of how others behave, whereas injunctive norms refer to perceptions of whether a particular behavior is socially approved or expected (Cialdini, 2003). Prior research indicates that social norms influence tax payment decisions, particularly by reshaping individuals' perceptions of entitlement to income and thereby reconstructing judgments about whether to comply.

Procedural Justice Theory. Procedural Justice Theory suggests that when the processes used are fair and transparent, they get trust, legitimacy and cooperation (Tyler, 1990). Transparency refers to the clarity and openness with which information about how funds are used is provided (Balakrishnan, 2019). According to the theory, when the use of tourism tax revenue is transparent, tourists are more likely to perceive the tax as fair.

METHOD

This research consists of four scenario-based experiments designed to test a moderated mediation model of tourism tax acceptance. Across all studies, framing (Tourism Tax vs. Environmental Conservation Fee) is specified as the focal independent variable, and perceived fairness functions as a mediator linking framing to tax acceptance and destination avoidance intention. In Studies 2–4, psychological distance, social norms, and policy transparency are introduced as moderators of the relationship between framing and perceived fairness. Each moderator is crossed with framing in a 2×2 factorial design to examine conditional effects.

H1: Participants exposed to a tourism tax frame will have lower levels of tax acceptance than those exposed to an environmental conservation fee frame.

H2: Perceived fairness will mediate the effect of framing (tourism tax vs. environmental conservation fee) on tax acceptance, such that the tourism-tax frame reduces acceptance via lower perceived fairness.

H3: Tourism tax acceptance will be negatively associated with destination avoidance, such that higher acceptance leads to lower intentions to avoid the destination.

H4: Psychological distance will moderate the effect of framing on perceived fairness asymmetrically, such that psychological distance has a stronger impact under the tourism tax frame than under the environmental conservation fee frame.

H5: Social norm information will moderate the effect of framing on perceived fairness asymmetrically, such that social norm information has a stronger impact under the tourism tax frame than under the environmental conservation fee frame.

H6: Transparency regarding the use and performance of tax will moderate the effect of framing on perceived fairness asymmetrically, such that transparency has a stronger impact under the tourism tax frame than under the environmental conservation fee frame.

THEORETICAL AND PRACTICAL IMPLICATIONS

This study advances tourism taxation research by theorizing tax acceptance as a legitimate construction process rather than a mere economic response to price changes. Integrating framing theory, construal level theory, social norm theory, and transparency-based procedural justice perspectives, the research develops a psychologically grounded model of fiscal policy evaluation. Drawing on framing theory, the study demonstrates that semantic labeling activates distinct normative schemas, such that a “tourism tax” frame heightens distributive burden salience, whereas a “environmental conservation fee” frame activates pro-social and collective-benefit schemas.

It also expands construal level theory (Trope & Liberman, 2010) beyond environmental risk perception into the domain of fiscal legitimacy, demonstrating that distance not only shapes abstraction levels but also moderates normative judgment formation. In doing so, the study contributes to legitimacy theory by showing that cognitive construal influences how distributive justice claims are interpreted in public finance contexts. Descriptive and injunctive norms (Cialdini, 2003) attenuate framing-induced fairness gaps, indicating that justice perceptions are socially negotiated and normatively reinforced. Moreover, transparency exerts a stronger corrective effect under negatively valenced frames, suggesting that procedural clarity can compensate for distributive burden salience. This demonstrates that institutional trust cues recalibrate fairness evaluations, thereby reinforcing policy legitimacy even when cost visibility is high (Karmila et al., 2025).

By structurally linking perceived fairness to destination avoidance intention, the study bridges fiscal policy evaluation with tourism demand behavior and embeds behavioral consequences within a legitimacy-based psychological pathway.

Practically, the findings suggest that policymakers should prioritize strategic framing and fairness-oriented messaging when introducing tourism taxes, as semantic cues significantly shape legitimacy perceptions. Communicating concrete and proximal benefits of tax revenues can reduce psychological distance and strengthen acceptance. Proactively disclosing revenue allocation and performance outcomes can mitigate resistance under tax-salient frames, enabling governments to balance fiscal sustainability with destination competitiveness.

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