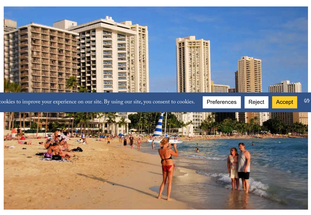
EXPLAINERS, SPOTLIGHT EXPLAINERS

All You Need to Know About Hawaii's New Green Tax for Tourists

BY VIVIAN ADAMS | AMERICAS | SEP 22ND 2025 | 4 MINS

DONATE | EARTH.ORG IS POWERED BY OVER 150 CONTRIBUTING WRITERS



We use cookies to improve your experience on our site. By using our site, you consent to cookies. Preferences Reject Accept
by CMP Consent

Earlier this year, Hawaii introduced a new tax for tourists. The Green Fee aims to help protect Hawaii's natural environment from the impacts of climate change and environmental degradation. Here's what you need to know.

—

From turquoise waters and rocky coastlines to lush rainforests and magnificent wildlife, Hawaii's natural world is breathtaking – and one of its main tourist attractions. Every year, the island state receives around 10 million visitors, making tourism one of its main economic drivers.

Hawaii's natural resources and economy are inextricably intertwined, increasing the pressure on its natural world. At the same time, the impacts of climate change are already palpable, with rising temperatures, extreme droughts and destructive weather events putting pressure on the archipelago and its inhabitants.

A recent move is placing greater responsibility on tourists for the protection of Hawaii's islands. Starting in 2026, visitors will be charged a tax on their overnight stays, the revenue of which will go towards environmental protection and climate change adaptation projects. The fee amounts to an extra 0.75%, raising the current statewide Transient Accommodations Tax (TAT) from 10.25% to 11%. For a US$400 hotel room, this equals an extra $3 a night. The tax is projected to raise around US$100 million per year, according to media reports.

Hawaii's four counties (Kalawao County does not charge a TAT) have added another 3% lodging tax, the maximum amount possible, to the baseline TAT. As of next year, accommodations such as hotels or short-time rentals will thus charge an additional TAT of up to 14% per night, depending on their location.

The new tax will also apply to cruise ships, which until now have been exempt. The move was met with strong opposition from the cruise line industry. In a lawsuit filed in the US District Court, the Cruise Lines International Association argues the tax is unconstitutional.

How the Green Tax Will Be Used

What projects the money from the new tax will go to will be decided by the Hawaii administration together with the state legislature. Hawaii's Governor Josh Green, who spearheaded the new policy, considers the allocation of the funds a matter of public discussion. Since July, communities, businesses and environmental groups have been involved in a process to help legislators decide where priorities lie, which will be redetermined yearly.

Focus topics will likely include environmental protection and restoration, climate and disaster resiliency, and sustainable tourism. Examples include replenishing the sand on Waikiki Beach to counteract its erosion and promoting the use of hurricane clips to secure roofs in the case of strong storms.

In the wake of the devastating 2023 Maui wildfire, prevention of further fires has also become a priority for the state. This involves the clearing of flammable invasive grasses, as well as strengthening the islands' response to possible future disasters.

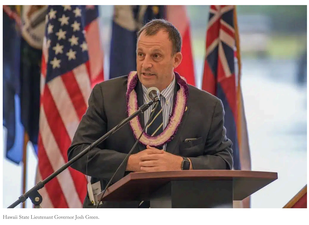
Maui's community of Lahaina burned by wildfires in 2023. Photo: Wikimedia Commons.

Balancing Tourism and Environmental Protection

Adding the statewide general excise tax that is applied to practically all goods and services, the green tax will drive Hawaii's tourist tax up to almost 19% – making it one of the highest in the nation. While Hawaii's hotel industry is mostly supportive of the new policy, concerns about how it may impact tourism remain.

Gov. Green hopes that the added 0.75% is a sufficiently small amount for visitors to welcome the chance to contribute to the preservation of Hawaii's natural attractions. He sees the tax as a long-term investment in the archipelago's nature and economy.

"The more you cultivate good environmental policy, and the more you invest in perfecting our lived space, the more likely it is [Hawaii's] going to have actually lifelong, committed travelers," Green told the Associated Press.



Hawaii State Lieutenant Governor Josh Green.

But what do prospective tourists think about the new fee?

Some visitors have pointed at the need to communicate the purpose of the added cost clearly. While some travellers might initially be deterred by the surcharge, knowing their money will be used for nature protection may increase people's willingness to pay the extra fee.

Surveys confirm this trend, with over 75% of people voicing a wish to travel more sustainably. According to Euromonitor, nearly 80% of travelers are prepared to pay at least 10% more for sustainable travel features.

Climate Taxes Around the World

Hawaii may be the first US state to instate a climate tax for visitors, but it is not the first to do so.

In Greece, tourists are charged a Climate Crisis Resilience Fee that in particularly popular destinations like Mykonos or Santorini climbs up to €20 (US$23) a night during high season. The Maldives has had a corresponding tax since 2015, having doubled its amount early this year to an average US$12 a night. Meanwhile, New Zealand has been charging an International Visitor Levy since 2019. While not applicable to all visitors, the one-time payment has by now tripled to NZ$100 (US$60). Bali also introduced a small fee for international visitors last year, and several Spanish cities charge a green tax as well.

Just like in Hawaii, the revenue of these taxes funds projects ranging from sustainable tourism infrastructure and waste management to climate resilience and ecosystem restoration.

How Hawaii's green tax will be used remains to be seen. Ultimately, the end goal is to promote sustainable tourism, ensuring the land and its communities that millions choose as holiday destinations are treated mindfully and respectfully.

Featured image: Wikimedia Commons.

This story is funded by readers like you

Our non-profit newsroom provides climate coverage free of charge and advertising. Your one-off or monthly donations play a crucial role in supporting our operations, expanding our reach, and maintaining our editorial independence.

About EO | Mission Statement | Impact & Reach | Write for us

Donate now

TAGGED: GREEN TAX HAWAII

You Might Also Like

EXPLAINERS, POLLUTION, SPOTLIGHT WHAT CAN I DO

The Environmental Impact of Fast Fashion, Explained

FEB 3RD 2026 | 6 MINS

CLIMATE CHANGE, EXPLAINERS, POLICY & ECONOMICS

Explainer: What Is the 'Tragedy of the Commons'?

SEP 5TH 2021 | 6 MINS

EXPLAINERS, POLLUTION, SOLUTIONS

What Is E-Waste Recycling and How Is it Done?

OCT 14TH 2023 | 5 MINS

Subscribe to our newsletters

The best environmental stories of the week and month, handpicked by our Editor. Make sure you're on top of what's new in the climate.

SUBSCRIBE

EARTH·ORG
PAST · PRESENT · FUTURE

Our non-profit newsroom provides **ad-free, independent** climate coverage with **no paywall.**
Your **one-off & monthly donations** are crucial for **supporting** our operations, **expanding** our impact, & **maintaining** our editorial independence.