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## Trump's Visa Fee Could Cost U.S. Billions

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Research indicates that President Donald Trump's new \$250 "visa integrity fee" could potentially cost the United States economy \$11 billion, a figure far higher than previous estimates from the Congressional Budget Office (CBO).

The fee, included in Trump's recently signed "Big, Beautiful Bill," applies to travelers on non-immigrant visas. Countries in the Visa Waiver Program, which includes most Western European nations and select Asian countries, are exempt from the charge.

According to the CBO, the fee is projected to generate over \$27 billion by 2034. The office estimated that 11 million travelers would pay the \$250 fee annually, producing \$2.7 billion each year. However, a report by Tourism Economics suggests the fee could discourage visitors, potentially resulting in an annual economic loss of roughly \$3.6 billion, or \$11 billion over three years.

The decline in travelers could also impact spending and employment in the tourism industry. In 2022, travel and tourism contributed \$2.3 trillion to the U.S. economy, according to the International Trade Administration.

A CBO spokesperson noted that the office traditionally does not include macroeconomic feedback effects in cost estimates and did not perform a dynamic analysis of the visa provision.

The fee is scheduled to take effect in October, ahead of major international events in the United States, including the 2026 FIFA World Cup and the 2028 Summer Olympics. Tourism experts warn that higher fees could discourage foreign visitors at a critical time for the U.S. economy.

Even before the fees' introduction, international tourism in the U.S. was experiencing declines. A May 2025 report by the World Travel & Tourism Council found that the U.S. was the only country among 184 economies forecasted to see a drop in international visitor spending. The report projected the country could lose \$12.5 billion in visitor spending in 2025 alone. Julia Simpson, CEO of the council, stated, "The world's biggest Travel & Tourism economy is heading in the wrong direction, not because of a lack of demand, but because of a failure to act. While other nations are rolling out the welcome mat, the U.S. government is putting up the 'closed' sign."

Among the countries whose citizens most frequently visit the U.S., including Canada, Mexico, the United Kingdom, India, Brazil, Japan, and Germany, only visitors from India and Brazil would be subject to the fee. Indian tourists, for instance, contributed around \$13 billion to the U.S. economy in 2022.

Erik Hansen, senior vice president of government relations at the U.S. Travel Association, warned, "Congress made the mistake of assuming that this worldwide visa integrity fee would not have a big impact on visitors from countries like India or Brazil. This is the exact type of armchair public policymaking that is going to get us into a big mess."

Experts emphasize that while the visa integrity fee is designed to raise revenue, the potential negative effects on international tourism could outweigh its benefits, particularly during a period of already declining visitor numbers.