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JACK E. RICHARDS

President & Chief Executive Officer

March 27, 2003

Assemblyman David Parks
Chairman
Assembly Taxation Committee
401 South Carson St., Suite 4108
Carson City, NV 89701

RE: Hotel Room Tax Increases

Dear Assemblyman Parks:

It is our understanding there is legislation pending in the Nevada State Legislature that will negatively impact the travel industry and hotel business. We actively oppose enactment of AB #342 and AB #387 which would increase hotel room taxes.

The business of The Leisure Company, an America West Holdings Corporation subsidiary and sister company of America West Airlines and one of the nation's largest tour packagers is centered in Las Vegas. The Leisure Company's America West Vacations division buys more than 750,000 hotel room nights annually in Las Vegas, Reno and Lake Tahoe. Our expectation is that visitation to Nevada will be negatively impacted immediately as a result of increased hotel taxes that must be passed on to the customer through higher vacation package prices.

The U.S. travel and hotel industry is facing an economic crisis unlike any experienced before. This crisis is a direct result of an unprecedented decline in demand in travel due to the September 11 terrorism attacks and war with Iraq. To encourage travel, airlines, tour companies and hotels have been forced to reduce prices aggressively. Under current conditions, there is no ability to pass higher costs through to customers and no pricing power.

In more "normal" times, the cost-cutting and price reductions could be expected to stimulate travel. This has not occurred. Instead what has happened is that new taxes and security costs have grown to adversely impact the industry's bottom line. Most of these costs have arisen from federal and state government legislation. For these reasons, any increases in Nevada hotel room taxes would further reduce demand and occupancy levels.

We strongly urge you and the Nevada State Legislature not to enact AB #342 and AB #387.

Sincerely,

A handwritten signature in black ink, appearing to read 'J. Richards', written over a horizontal line.

Jack E. Richards
President & CEO
The Leisure Company/America West Vacations

c: C.A. Howlett
Sr. Vice President, Public Affairs
America West Holdings Corporation

ASSEMBLY COMMITTEE ON TAXATION
DATE: 3/27/03 ROOM: 3142 EXHIBIT 6
SUBMITTED BY: JACK RICHARDS