



## House Bill 612

### Recovery for the Economy, Livelihoods, Industries, Entrepreneurs, and Families (RELIEF) Act

February 4, 2021

#### Position: Support

Madame Chair and Members of the Ways and Means Committee:

The *Restaurant Association of Maryland* supports House Bill 612 and the various forms of relief and support it provides to businesses.

We appreciate the enhanced sales tax vendor credit in this legislation, which allows businesses (including restaurants, caterers and foodservice) to retain a credit of up to \$3,000/month for 4 months (up to \$12,000 maximum) in collected sales tax revenue. This will help to provide additional immediate cash flow to restaurants and other foodservice establishments that are open for business.

The restaurant and foodservice industry continues to struggle to survive the COVID pandemic and related business losses. Due to the financial strain and lack of resources, as many as 40% of Maryland restaurants could close permanently. At the height of the pandemic and statewide shutdown, 150,000 restaurant employees were either laid off or furloughed. Most foodservice employers have not yet returned to pre-pandemic staffing levels. The restaurant/foodservice industry needs relief and support in various ways on the long road to recovery.

For these reasons, we support this legislation and request a favorable report.

Sincerely,

Melvin R. Thompson  
Senior Vice President  
Government Affairs and Public Policy