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Re: TESTIMONY IN OPPOSITION TO HB 1306 -- Admissions & Amusement Tax on Food and Beverages  
TESTIMONY IN OPPOSITION TO HB 1072 – Sales Tax Increase on Alcoholic Beverages

Maryland General Assembly Ways & Means Committee  
Delegate Vanessa Atterbeary, Chair

Dear Chair Atterbeary and Members of the Ways & Means Committee:

Diageo North America is contacting you in opposition to HB 1306 and HB 1072. Diageo North America is the leading premium drinks business and one of the best-performing consumer packaged goods companies across the United States and Canada. Our 200 plus brands are enjoyed across our market and include some of the world’s oldest and best loved brands, such as Johnnie Walker, Ketel One, Captain Morgan, Crown Royal, Bulleit, Don Julio, and Guinness.

As you are aware, we own and operate Guinness Open Gate Brewery in Baltimore County, where we serve food and brew multiple varieties of Guinness, including Baltimore Blonde for on-site consumption. Diageo has invested over \$90 million dollars in Baltimore County since 2018, and we’ve welcomed over 1.7 million visitors. We’ve contributed over \$2 million to our local community partners including Maryland Food Bank, Oyster Recovery Partnership, and Job Opportunities Task Force to name a few.

In January, we launched our free Learning Skills for Life program in Baltimore. Learning Skills for Life is our business and hospitality skills program for those seeking employment in the hospitality industry but who may have faced barriers to education and employment in their lives. Our program provides equal access to business and hospitality skills and resources to increase participants’ employability, improve livelihoods, and support a thriving hospitality sector that works for all.

Diageo opposes HB 1306 which would allow local governments to impose a 2% admissions and amusement tax on sale of food and beverages, including alcoholic beverages. We also oppose HB 1072 which would increase the sales tax on alcoholic beverages from 9% to 10%. We believe these proposed tax increases are burdensome to Maryland residents and tourists. Consumers are experiencing higher costs of goods because of the pandemic and economic turndown, and by increasing taxes on food and beverages, these taxes place an additional burden on families.

In closing, we believe the Committee should oppose both HB 1306 and HB 1072. Please don’t hesitate to contact us for further information.