



**HB 1306 - Admissions and Amusement Tax - Food and Beverages**  
**House Ways and Means Committee**  
**February 23, 2024**  
**Position: Unfavorable**

Dear Chairman Atterbeary, Vice-Chair Wilkins, and Members of the Committee,

I, David Phillips (COO & CFO of R/C Theatres), am writing in opposition to HB 1306 - Admissions and Amusement Tax - Food and Beverages.

We are a family-owned and operated movie theatre company with 3 locations in Maryland. I am concerned this bill will lead to implementation of an additional 2% concession tax, which will financially harm our company.

R/C Theatres, and the industry as a whole, is still in recovery mode from the pandemic after being forced to shut down our theatres in 2020 and 2021. Additionally, the recent Hollywood labor strikes have negatively impacted the film release schedule, which directly affects our attendance. We also just increased our employee pay due to the minimum wage increase. These challenges have led to us needing to increase our admissions and F&B prices in order to stay afloat. We can not afford a tax increase, on top of the previously mentioned financial burdens. Our theatres create jobs for the communities we're in and a safe space for Marylanders to escape the woes of reality through a cinematic experience.

We appreciate your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Phillips', followed by a long horizontal line extending to the right.

David Phillips  
COO & CFO