

Bengies Drive-In Theatre

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3417 Eastern Boulevard

Baltimore, Maryland 21220



HB 997 – Admissions and Amusement Tax – Food and Beverages

In the House – Ways and Means Committee

February 24, 2025

Position: Unfavorable

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

My name is Kenneth Adam, a resident of Baltimore City, one of the two owners of The Bengies Drive-In Theatre in Baltimore County. I write today in strong opposition to HB 997 - Admissions and Amusement Tax - Food and Beverages.

This bill would place an additional financial burden on our small business at a time when independent theatres are already struggling. Currently, we pay a 10% admissions and amusement tax on ticket sales, and a 6% state tax on food and beverage sales. Increasing the tax on food and beverage sales would place an undue strain on our ability to operate.

Movie theatres do not generate significant revenue from ticket sales alone. A large percentage of our ticket revenue goes directly to film studios, in addition to the 10% admissions tax already collected by Baltimore County. This leaves little remaining to cover operating expenses. Instead, our concession sales are the lifeline of our business, but with already razor-thin margins. If this tax increase is implemented, we will have no choice but to raise prices, making it even harder to remain an affordable, family-friendly entertainment option. Given the ongoing decline in attendance post-pandemic, this could drive more patrons away and threaten our theatre's survival.

The motion picture industry is facing unprecedented challenges. Attendance has yet to recover to pre-pandemic levels, and we now face competition from the very film companies we rely on. Studios have drastically shortened theatrical exclusivity windows to prioritize their own streaming services, and last year's Hollywood strike, combined with rising costs due to inflation, has only added to our difficulties.

At a time when the government should be supporting the recovery of the motion picture industry, this bill does the opposite—it punishes small, local theatres and threatens our future. We urge you to reconsider and vote against HB 997.

Thank you for your time and consideration.

Sincerely,

Kenneth Adam, Resident of Baltimore City
Owner, The Bengies Drive-In Theatre