

# **Bengies Drive-In Theatre**

~ Since 1956 ~

**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**

I am D. Edward Vogel, one of the 2 owners and operators of THE BENGIES DRIVE-IN THEATRE. The other owner is Kenneth Adam, JR who will be sending testimony of his own.

I respectfully submit the following remarks in opposition to HB 997

First thing I would like this committee to consider, is any raise in the taxes already in place always are passed on to the consumer, AND with consumers having a limited amount to spend which is diminishing by higher prices and taxes already in place, the apparent result will be they buy less. (generating the opposite effect of what we are discussing here.)

Directly to me and business, The Bengies Drive-In Theatre, the industry is in a unsettled situation. The studios are now my competitor with streaming. As a result, It is very difficult to gain the attention I need play features in a timely way, before they available on the streaming services and VOD (video on demand). So we are now spending more money to get our venue out to the public, before the very, very, very short "window" of opportunity closes.

Further, the movie industry already pays admission and amusement taxes, in Baltimore County, 10 percent is taxed on every movie ticket we sell. I also pay the sales and use tax on all of the concession items we sell. If you now ADD an additional tax (no matter what you call it) it would put us at unfair advantage and of course raise the cost of doing business which would then be passed on to the consumer. That could get the cost of attending to a point where the public is deterred from attending and will sit at home and watch the selection on streaming. I remind all legislators that if the public is turning away from movie theatres and paying the streaming services to watch all entertainment at home, the revenues the state is collecting will actually go down further than what you think the new tax will generate.

It is a matter of considering all of the factors that are now set against the exhibition industry, and deciding NOT to add to that. (I would hope you would also consider the citizens of Maryland who will be paying these new taxes on top what they already are paying.) What number of theatres that will remain through this trying time within our industry is still unknown but the general consensus is that there will be a decline in movie theatres, and of them, I, the Independent exhibitor has the hardest struggle.

The decline in theatres overall is already happening, so PLEASE do not add to the complications of losing revenue to the state taxes by increasing the tax burden we will surely have to pass on to the customer.

I am available for direct conversation or to appear before the committee if it wishes to hear these remarks coming from one of the SMALLEST exhibitors in the state, operating the last drive-in theatre in the state, and is already falling victim to the competition coming from Hollywood by those who sell me product.

I think our legislatures need to consider in all ways they can to raise tax revenue what may be and can be an actual lowering of tax revenue by making it even more difficult for them to spend what little they have for

entertainment. If they continue to use streaming to escape the cost of the movie ticket, I sure hope you can figure out a way to tax streaming to make up for the loss.

Very Sincerely Yours,  
D. Edward Vogel,  
Bengies Drive-In Theatre