

Department of Legislative Services
Maryland General Assembly
2001 Session

FISCAL NOTE

House Bill 210 (Harford County Delegation)

Ways and Means

Budget and Taxation

Harford County - Admissions and Amusement Tax - Entertainment Businesses

This bill prohibits Harford County from imposing an admissions and amusement tax on gross receipts derived from golf entertainment and drive-in movie entertainment.

This bill is effective July 1, 2001.

Fiscal Summary

State Effect: None.

Local Effect: Harford County revenues could decrease by \$375,000 each year beginning in FY 2002. County expenditures would not be affected.

Small Business Effect: Potential minimal.

Analysis

Current Law: Harford County may impose admissions and amusement taxes on golf entertainment and drive-in movie entertainment.

Background: Harford County currently imposes a 5% admissions and amusement tax. The county increased the admissions and amusement tax from 1% to 5% effective July 1, 2000. There are eight golf courses, four driving ranges, and two mini-golf courses in the county, and one drive-in movie theater.

Local Fiscal Effect: Harford County revenues could decrease by \$375,000 in fiscal 2002 and each year thereafter. Harford County received approximately \$75,000 in admissions and amusement taxes in fiscal 2000 for golf and drive-in movie entertainment. Due to the increase in admissions and amusement tax effective for fiscal 2001, it is estimated that Harford County will receive about \$375,000 each year in admissions and amusement tax revenue for golf entertainment and drive-in movie entertainment.

Additional Comments: Harford County raised its admissions and amusement tax for fiscal 2001 from 1% to 5%. Harford County advises that it is planning to reduce the admissions and amusement tax back to 1% for fiscal 2002. Accordingly, if the county governing body approves the tax reduction, Harford County revenues would decrease by \$75,000 pursuant to this bill.

Additional Information

Prior Introductions: None.

Cross File: SB 230 (Harford County Senators) – Budget and Taxation.

Information Source(s): Harford County, Department of Legislative Services

Fiscal Note History: First Reader – February 6, 2001
ncs/hlb

Analysis by: Christopher J. Kelter

Direct Inquiries to:
John Rixey, Coordinating Analyst
(410) 946-5510
(301) 970-5510