
By: **Delegates Cane, Bozman, and Conway**
Introduced and read first time: February 25, 2005
Assigned to: Rules and Executive Nominations

A BILL ENTITLED

1 AN ACT concerning

2 **Wicomico County - Hotel Rental Tax and User Fee - Dedication of Revenue**
3 **to Youth and Civic Center**

4 FOR the purpose of altering the hotel rental tax rate in Wicomico County; altering the
5 distribution of the hotel rental tax revenue in Wicomico County under certain
6 circumstances; authorizing the governing body of Wicomico County to impose a
7 certain user fee on certain charges for events held at the Wicomico County Youth
8 and Civic Center; requiring the governing body of Wicomico County to set the
9 rate of the user fee; limiting the rate of the user fee to a certain amount;
10 requiring the revenues from the user fee to be used for a certain purpose; and
11 generally relating to certain user fees and the hotel rental tax in Wicomico
12 County.

13 BY repealing and reenacting, without amendments,
14 Article 24 - Political Subdivisions - Miscellaneous Provisions
15 Section 9-304(a) and 9-318(a)
16 Annotated Code of Maryland
17 (2001 Replacement Volume and 2004 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article 24 - Political Subdivisions - Miscellaneous Provisions
20 Section 9-304(b) and 9-318(b)(3)
21 Annotated Code of Maryland
22 (2001 Replacement Volume and 2004 Supplement)

23 BY adding to
24 Article 24 - Political Subdivisions - Miscellaneous Provisions
25 Section 9-607
26 Annotated Code of Maryland
27 (2001 Replacement Volume and 2004 Supplement)

28 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
29 MARYLAND, That the Laws of Maryland read as follows:

1

Article 24 - Political Subdivisions - Miscellaneous Provisions

2 9-304.

3 (a) Subject to the limitations in subsections (b) and (c) of this section, the hotel
4 rental tax rate is the rate that the authorized county sets by resolution.

5 (b) An authorized county may not set a hotel rental tax rate that exceeds:

6 (1) 3% in a code county;

7 (2) 5% in Calvert County;

8 (3) 3% in Cecil County;

9 (4) 5% in Charles County;

10 (5) 5% in Dorchester County;

11 (6) 5% in Frederick County;

12 (7) 5% in Garrett County;

13 (8) 5% in St. Mary's County;

14 (9) 5% in Somerset County;

15 (10) In Talbot County:

16 (i) 4% from January 1, 2005 through December 31, 2006; and

17 (ii) 3% on or after January 1, 2007; and

18 (11) [5%] 6% in Wicomico County.

19 9-318.

20 (a) Except for Talbot County, Washington County, Dorchester County, and
21 Frederick County an authorized county shall distribute the hotel rental tax revenue
22 as follows:

23 (1) From the total revenue, a reasonable sum for hotel rental tax
24 administrative costs to the general fund of the county;

25 (2) In a code county and Calvert, Cecil, Garrett, and St. Mary's counties,
26 after the distribution in item (1) of this subsection, the revenue attributable to a hotel
27 located in a municipal corporation to the municipal corporation; and

28 (3) The remaining balance to the general fund of the county.

29 (b) (3) (i) Wicomico County may not deduct more than 5% of the revenue
30 for administrative costs under subsection (a)(1) of this section.

1 (ii) If Wicomico County authorizes a hotel rental tax rate of [5%]
2 6%, the county shall distribute:

3 1. [20%] 16.7% of the revenue to the Salisbury Zoological
4 Park; and

5 2. [20%] 16.7% of the revenue to the [Tourism Center for]
6 Wicomico County YOUTH AND CIVIC CENTER to be used for its [operation and
7 maintenance] IMPROVEMENT AND RENOVATION.

8 (iii) Wicomico County shall deposit all remaining revenues, after the
9 distributions under subsection (a)(1) of this section and subparagraphs (ii) and (iii) of
10 this paragraph in the general funds of Wicomico County to underwrite the Wicomico
11 County Convention and Visitors Bureau.

12 9-607.

13 (A) THE GOVERNING BODY OF WICOMICO COUNTY MAY IMPOSE BY
14 ORDINANCE A USER FEE ON THE CHARGES FOR ALL TICKETED EVENTS HELD AT THE
15 WICOMICO COUNTY YOUTH AND CIVIC CENTER.

16 (B) (1) SUBJECT TO THE LIMITATION IN PARAGRAPH (2) OF THIS
17 SUBSECTION, THE GOVERNING BODY OF WICOMICO COUNTY SHALL SET THE RATE
18 OF THE USER FEE.

19 (2) THE RATE OF THE USER FEE MAY NOT EXCEED 5% OF THE CHARGE
20 FOR A TICKET TO AN EVENT HELD BY THE WICOMICO COUNTY YOUTH AND CIVIC
21 CENTER.

22 (C) ANY REVENUE FROM THE USER FEE AUTHORIZED UNDER THIS SECTION
23 SHALL BE DEDICATED TO THE PHYSICAL IMPROVEMENT OF AND RENOVATIONS TO
24 THE WICOMICO COUNTY YOUTH AND CIVIC CENTER.

25 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect
26 July 1, 2005.