

Department of Legislative Services
Maryland General Assembly
2006 Session

FISCAL AND POLICY NOTE

House Bill 1514
Ways and Means

(Delegate Jennings, *et al.*)

Budget and Taxation

Baltimore County - Admissions and Amusement Tax - Exemptions

This bill exempts activities related to agricultural tourism from the Baltimore County admissions and amusement tax.

The bill takes effect July 1, 2006.

Fiscal Summary

State Effect: None.

Local Effect: Minimal decrease in Baltimore County admissions and amusement tax revenues. County expenditures would not be affected.

Small Business Effect: Minimal.

Analysis

Current Law: In Baltimore County, the gross receipts from not-for-profit community associations are generally exempt from the county admissions and amusement tax.

Background: Agricultural tourism refers to the act of visiting a working farm or any agricultural, horticultural, or agribusiness operation for the purpose of enjoyment, education, or active involvement in the activities of the farm or operation.

Agricultural tourism is a growing industry. Harford County, for instance, has produced an agricultural tourism brochure, and thousands of children and hundreds of teachers in

Harford County alone go on farm tours annually. This promotes agricultural education and also generates significant revenue for the farmers. There are 11 or more farms in the county offering agricultural tours.

Chapter 531 of 2005 enacted similar legislation for Harford County.

Local Revenues: Exempting agricultural tourism would minimally decrease the admissions and amusement tax revenues collected in Baltimore County. The actual decrease cannot be estimated at this time but is expected to be minimal.

Baltimore County did not respond to repeated requests for information.

Additional Information

Prior Introductions: None.

Cross File: None.

Information Source(s): State Department of Assessments and Taxation, Department of Legislative Services

Fiscal Note History: First Reader - March 17, 2006
ncs/hlb

Analysis by: Karen S. Benton

Direct Inquiries to:
(410) 946-5510
(301) 970-5510