

SENATE BILL 945

Q4, Q7, F2

6lr2363

By: **Senator Charles**

Introduced and read first time: February 6, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Admissions and Amusement Tax and Sales and Use Tax – University of**
3 **Maryland, College Park Athletic Competitions and Game Day Surcharge**

4 FOR the purpose of imposing a State admissions and amusement tax on gross receipts
5 derived from certain admissions and amusement charges for admission to athletic
6 competitions held at the University of Maryland, College Park Campus; imposing a
7 supplemental surcharge on certain sales of food, alcoholic beverages, and
8 accommodations within a certain distance of the University of Maryland, College
9 Park Campus football stadium on certain days under certain circumstances;
10 establishing the University of Maryland Athletic Department Support Fund as a
11 special, nonlapsing fund; and generally relating to the admissions and amusement
12 and sales and use taxes.

13 BY repealing and reenacting, without amendments,
14 Article – Tax – General
15 Section 1–101(a)
16 Annotated Code of Maryland
17 (2022 Replacement Volume and 2025 Supplement)

18 BY repealing and reenacting, with amendments,
19 Article – Tax – General
20 Section 1–101(s), 2–202(a), 2–1303, and 11–102
21 Annotated Code of Maryland
22 (2022 Replacement Volume and 2025 Supplement)

23 BY adding to
24 Article – Tax – General
25 Section 4–102(g), 4–105(a–2), and 11–104(m)
26 Annotated Code of Maryland
27 (2022 Replacement Volume and 2025 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



BY adding to
Article – Education
Section 13–108
Annotated Code of Maryland
(2022 Replacement Volume and 2025 Supplement)

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

Article – Tax – General

1–101.

(a) In this article the following words have the meanings indicated.

(s) (1) “Sales and use tax” means the tax imposed under Title 11 of this article.

(2) “Sales and use tax” includes:

(I) the tax imposed on the use of certain electricity under §
11–1A–01 of this article[.];

[(3)] (II) [“Sales and use tax” includes] the hotel surcharge imposed under
§ 11–102(b) of this article; AND

(III) THE GAME DAY SURCHARGE IMPOSED UNDER § 11–102(C)
OF THIS ARTICLE.

2–202.

(a) After making the distribution required under § 2–201 of this subtitle, within
20 days after the end of each quarter, the Comptroller shall distribute:

(1) except as provided in subsections (b) and (c) of this section, from the
revenue from the State admissions and amusement tax on electronic bingo and electronic
tip jars under § 4–102(e) of this article:

(i) for fiscal years 2021 through 2025, the revenue attributable to a
tax rate of 20% to the Maryland E–Nnovation Initiative Fund under § 6–604 of the
Economic Development Article;

(ii) for fiscal year 2026 and each fiscal year thereafter, the revenue
attributable to a tax rate of 20% as follows:

1. \$8,500,000 to the Maryland E–Nnovation Initiative Fund
under § 6–604 of the Economic Development Article; and

2. the remainder to the General Fund of the State; and

(iii) for fiscal year 2021 and each fiscal year thereafter, the revenue attributable to a tax rate of 5% as follows:

1. to the Maryland State Arts Council, as provided in § 4–512 of the Economic Development Article, \$1,000,000 in each fiscal year;

2. to the Town of Chesapeake Beach, \$300,000 in each fiscal year;

3. to the Michael Erin Busch Sports Fund established under § 10–612.2 of the Economic Development Article, \$500,000 in each fiscal year; and

4. the remainder to the Special Fund for Preservation of Cultural Arts in Maryland, as provided in § 4–801 of the Economic Development Article; [and]

(2) THE REVENUE FROM THE STATE ADMISSIONS AND AMUSEMENT TAX ON ADMISSION TO ATHLETIC COMPETITIONS HELD AT THE UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS UNDER § 4–102(G) OF THIS ARTICLE TO THE UNIVERSITY OF MARYLAND ATHLETIC DEPARTMENT SUPPORT FUND ESTABLISHED UNDER § 13–108 OF THE EDUCATION ARTICLE; AND

(3) the remaining admissions and amusement tax revenue:

(i) to the Maryland Stadium Authority, county, or municipal corporation that is the source of the revenue; or

(ii) if the Maryland Stadium Authority and also a county or municipal corporation tax a reduced charge or free admission:

1. 80% of that revenue to the Authority; and

2. 20% to the county or municipal corporation.

2–1303.

After making the distributions required under §§ 2–1301 through 2–1302.5 of this subtitle, the Comptroller shall pay:

(1) revenues from the hotel surcharge into the Dorchester County Economic Development Fund established under § 10–130 of the Economic Development Article;

(2) REVENUE FROM THE GAME DAY SURCHARGE IMPOSED UNDER § 11-102(C) OF THIS ARTICLE INTO THE UNIVERSITY OF MARYLAND ATHLETIC DEPARTMENT SUPPORT FUND ESTABLISHED UNDER § 13-108 OF THE EDUCATION ARTICLE;

(3) to the Blueprint for Maryland's Future Fund established under § 5-206 of the Education Article, the following percentage of the remaining sales and use tax revenues:

(i) for fiscal year 2023, 9.2%;

(ii) for fiscal year 2024, 11.0%;

(iii) for fiscal year 2025, 11.3%;

(iv) for fiscal year 2026, 11.7%; and

(v) for fiscal year 2027 and each fiscal year thereafter, 12.1%; and

~~[(3)]~~ (4) the remaining sales and use tax revenue into the General Fund of the State.

4-102.

(G) A STATE TAX IS IMPOSED ON THE GROSS RECEIPTS DERIVED FROM AN ADMISSIONS AND AMUSEMENT CHARGE FOR ADMISSION TO AN ATHLETIC COMPETITION HELD AT THE UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS.

4-105.

(A-2) THE RATE OF THE STATE ADMISSIONS AND AMUSEMENT TAX IMPOSED ON AN ADMISSIONS AND AMUSEMENT CHARGE UNDER § 4-102(G) OF THIS SUBTITLE IS 3% OF GROSS RECEIPTS SUBJECT TO THE ADMISSIONS AND AMUSEMENT TAX.

11-102.

(a) Except as otherwise provided in this title, a tax is imposed on:

(1) a retail sale in the State; and

(2) a use, in the State, of tangible personal property, a digital code, a digital product, or a taxable service.

(b) (1) Subject to paragraph (2) of this subsection, in addition to the tax imposed under subsection (a) of this section, a hotel surcharge is imposed in Dorchester

County on the sale of a right to occupy a room or lodgings as a transient guest in an establishment that offers at least 380 rooms.

(2) The hotel surcharge imposed under paragraph (1) of this subsection may not be imposed if the Maryland Economic Development Corporation certifies to the Comptroller that the bonds issued by the Maryland Economic Development Corporation secured by the Dorchester County Economic Development Fund established under § 10–130 of the Economic Development Article have been paid in full.

(c) (1) (I) IN THIS SUBSECTION THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(II) 1. “ALCOHOLIC BEVERAGES LICENSEE” MEANS THE HOLDER OF A LICENSE UNDER TITLE 26 OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE.

2. “ALCOHOLIC BEVERAGES LICENSEE” DOES NOT INCLUDE A HOLDER OF A CLASS A LICENSE UNDER TITLE 26 OF THE ALCOHOLIC BEVERAGES AND CANNABIS ARTICLE.

(III) “RESTAURANT” MEANS A BUSINESS ESTABLISHMENT:

1. THAT IS FOR THE ACCOMMODATION OF THE PUBLIC;

2. THAT HAS A PROPER AND AN ADEQUATE DINING ROOM AND SUFFICIENT FACILITIES FOR PREPARING AND SERVING MEALS; AND

3. WHOSE AVERAGE ANNUAL RECEIPTS FROM THE SALE OF FOOD COMPRISE AT LEAST 25% OF THE AVERAGE RECEIPTS OF THE BUSINESS.

(2) THIS SUBSECTION APPLIES TO A SALE BY A VENDOR ON A DAY ON WHICH A COLLEGE FOOTBALL GAME IS PLAYED AT THE FOOTBALL STADIUM ON THE UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS AND THE IMMEDIATELY PRECEDING DAY IF THE VENDOR IS LOCATED WITHIN A 3-MILE RADIUS OF THE FOOTBALL STADIUM.

(3) IN ADDITION TO THE TAX IMPOSED UNDER SUBSECTION (A) OF THIS SECTION, A GAME DAY SURCHARGE IS IMPOSED ON THE SALE OF:

(I) FOOD BY A RESTAURANT OR AN ALCOHOLIC BEVERAGES LICENSEE;

(II) AN ALCOHOLIC BEVERAGE, AS DEFINED IN § 5–101 OF THIS ARTICLE, BY AN ALCOHOLIC BEVERAGES LICENSEE; OR

(III) AN ACCOMMODATION.

(D) (1) A county, municipal corporation, special taxing district, or other political subdivision of the State may not impose any retail sales or use tax except:

(i) a sales tax or use tax that was in effect on January 1, 1971;

(ii) a tax on the sale or use of:

1. fuels;

2. utilities;

3. space rentals; or

4. any controlled dangerous substance, as defined in § 5–101 of the Criminal Law Article, unless the sale is made by a person who registers under and complies with Title 5, Subtitle 3 of the Criminal Law Article; or

(iii) a tax imposed by a code county on the sale or use of food and beverages authorized under § 20–602 of the Local Government Article.

(2) Paragraph (1) of this subsection may not be construed as conferring authority to impose a sales and use tax.

11–104.

(M) THE RATE OF THE GAME DAY SURCHARGE IMPOSED UNDER § 11–102(C) OF THIS SUBTITLE IS:

(1) EXCEPT AS PROVIDED IN ITEM (2) OF THIS SUBSECTION, 3% OF THE TAXABLE PRICE; OR

(2) FOR A SALE OF AN ALCOHOLIC BEVERAGE, AS DEFINED UNDER § 5–101 OF THIS ARTICLE, 3% OF THE CHARGE FOR THE ALCOHOLIC BEVERAGE.

Article – Education

13–108.

(A) IN THIS SECTION, “FUND” MEANS THE UNIVERSITY OF MARYLAND ATHLETIC DEPARTMENT SUPPORT FUND.

1 **(B) THERE IS A UNIVERSITY OF MARYLAND ATHLETIC DEPARTMENT**
2 **SUPPORT FUND.**

3 **(C) THE PURPOSE OF THE FUND IS TO ENCOURAGE STUDENT-ATHLETES TO**
4 **ATTEND THE UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS.**

5 **(D) THE FUND IS A SPECIAL, CONTINUOUS, NONLAPSING FUND THAT IS NOT**
6 **SUBJECT TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

7 **(E) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND THE**
8 **COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

9 **(F) THE PROCEEDS OF THE FUND SHALL BE INVESTED AND REINVESTED.**

10 **(G) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE CREDITED TO THE**
11 **GENERAL FUND OF THE STATE.**

12 **(H) THE FUND CONSISTS OF:**

13 **(1) ADMISSIONS AND AMUSEMENT TAX REVENUE DISTRIBUTED TO**
14 **THE FUND IN ACCORDANCE WITH § 2-202 OF THE TAX – GENERAL ARTICLE;**

15 **(2) GAME DAY SURCHARGE REVENUE DISTRIBUTED TO THE FUND IN**
16 **ACCORDANCE WITH § 2-1303 OF THE TAX – GENERAL ARTICLE;**

17 **(3) ANY MONEY APPROPRIATED TO THE FUND;**

18 **(4) ANY FEDERAL GRANT FUNDS; AND**

19 **(5) ANY OTHER MONEY FROM ANY OTHER SOURCE ACCEPTED FOR**
20 **THE BENEFIT OF THE FUND.**

21 **(I) MONEY IN THE FUND MAY BE EXPENDED ONLY TO PROVIDE**
22 **SCHOLARSHIPS OR OTHER FINANCIAL COMPENSATION TO STUDENT-ATHLETES**
23 **WHO ARE ATTENDING THE UNIVERSITY OF MARYLAND, COLLEGE PARK CAMPUS.**

24 **(J) MONEY EXPENDED FROM THE FUND SHALL BE USED TO SUPPLEMENT,**
25 **NOT SUPPLANT, MONEY THAT THE ATHLETIC DEPARTMENT FOR THE UNIVERSITY**
26 **OF MARYLAND, COLLEGE PARK CAMPUS RECEIVES FROM OTHER SOURCES.**

27 **SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July**
28 **1, 2026.**