



Worcester County Office of Tourism

104 West Market Street | Snow Hill MD 21863 | (410) 632-3110 | www.VisitMarylandsCoast.org

February 12, 2021

Dear Chairman Guzzone and Distinguished Members of the Senate Budget and Taxation Committee:

The Worcester County Office of Tourism and Economic Development has been working diligently with numerous partners over the past year to keep our industry afloat during these unprecedented times. We are respectfully requesting your support on a piece of legislation that will help bring us out of this pandemic and keep Marylanders working in the tourism and hospitality industry.

The tourism industry as a whole has been severely battered by this pandemic, and we need to take some proactive and aggressive measures to save tourism in Maryland. As the 11th largest industry in the state, it is imperative to our economic recovery that we enlist all means necessary to support tourism. Here in Worcester, including Ocean City, tourism is our lifeblood. Specifically, in Worcester County in FY 20, before the pandemic, economic impact numbers were up with \$1.9 billion in tourism related spending, 10,929 tourism related jobs and the generation of \$238.4 million in state and local revenue. We need to get these figures back.

As a result, a bill has been carefully and thoughtfully crafted that will incentivize travel in Maryland and inject money back into some of the most vulnerable businesses in the state. Senate Bill 730 provides state income tax credits to Marylanders who travel within the state and spend money on hospitality related purchases. In-state travel must occur at least 50 miles from their permanent residence, and purchases must include:

- Food and beverage
- Lodging
- Transportation
- Tickets for live entertainment and sporting events
- or expenses related to attending a conference or business meeting

The tax credit would be up to \$4,000 for an individual; or \$8,000 for a married couple filing jointly; and \$500 per dependent child. This is an income tax credit and can only be received if money is expended. In reality, the tax credit is offset by money being put back into the economy, which is desperately needed, especially for businesses that have been hurt so badly by the pandemic. In turn, the expenditures generate additional tax revenues in the form of sales taxes, accommodations taxes and admissions & amusement taxes. Again, we desperately need to support this key industry by passing SB 730.

Please feel free to contact me directly at 443- 880-3555 with any questions and we sincerely thank you in advance for your support.

Warmest Regards,

Melanie Pursel

Melanie Pursel, Director