



TESTIMONY OFFERED ON BEHALF OF THE OCEAN CITY HOTEL-MOTEL-RESTAURANT ASSOCIATION

**IN SUPPORT OF SB0730 – Income Tax Credit for Travel, Hospitality
and Entertainment Expenses**

Before the Budget and Taxation Committee, February 24, 2021

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

On behalf of the Ocean City hospitality industry and our 400+ members, I am writing to respectfully request your support of this thoughtfully crafted legislation. Since 1971, our Association has been uniting the Ocean City tourism community. Without a doubt, this pandemic has affected the leisure and hospitality industry harder than any other industry. This bill provides an opportunity to keep Marylanders employed as it would certainly spur travel from the Eastern Shore beaches to the Western Maryland mountains and everything in between.

Encouraging travel around our State through the proposed tax credit incentives is a real benefit which would be well received by your constituents. Keeping the dollars in our State is of utmost importance to everyone's local economies. Tourism is an economic engine and provides a return to the State and counties in the form of sales tax, admission & amusement tax, alcohol tax and accommodation tax. Economic reports from 2019 tourism satellite accounts note that visitors to Maryland generated \$2.6 billion in state and local taxes.

In Maryland, 95% of tourism operations are small businesses, folks living and working in our communities. SB730 offers a workable solution other than a cash handout. It provides real incentives to support local hotels, restaurants, attractions, and entertainment venues and that would certainly help as it will take years to get back to pre-pandemic business levels.

Please feel free to contact me directly at 410.726.0334 with any questions. Thank you for considering support of SB730.

Sincerely,

Susan L. Jones, Executive Director