

Sb 730 Sen Carozza Written Testimony.pdf

Uploaded by: Carozza, Senator Mary Beth

Position: FAV

MARY BETH CAROZZA
Legislative District 38
Somerset, Wicomico,
and Worcester Counties

Education, Health, and Environmental Affairs
Committee



Annapolis Office
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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

February 24, 2021

The Senate Budget and Taxation Committee
SB 730 Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses
Statement of Support by Bill Co-Sponsor Senator Mary Beth Carozza

Thank you Chairman Guzzone, Vice Chair Rosapepe, and members of the Senate Budget and Taxation Committee for the opportunity to respectfully ask for your support of **Senate Bill 730 Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses**. This provides state income tax credits to Marylanders who travel within the state and spend money on hospitality-related purchases. As defined in the bill, the in-state travel must occur at least 50 miles from the principal residence of the individual, and purchases are limited to food and beverage, lodging, transportation, tickets for live entertainment, or expenses related to attending a conference or business meeting.

This was brought to my attention through a coordinating effort with the Garrett County Chamber of Commerce and the Greater Ocean City Chamber of Commerce and the Hotel-Motel Restaurant Association that was discussed earlier this year. The idea of a Maryland Tourism Tax Credit is based off Federal legislation that was proposed earlier this year to the Senate Small Business Workgroup. The pandemic has had a devastating impact on our economy, especially the tourism sector. According to the U.S. Travel Association, “15.8 million travel-related jobs in the U.S. have been lost due to the pandemic. This has resulted in an industry unemployment rate of 51%, which is more than twice the rate our country experienced as a whole during the Great Depression.”

The Maryland Tourism Coalition reports that tourism supports 226,000 direct and indirect jobs, making it the 11th largest industry in the state. Without tourism in the State of Maryland, each household would pay \$1,175 more in local taxes. In 2020, Worcester County alone, contributed \$238.4 million in state and local revenue and provided 10,929 tourism related jobs.

I acknowledge the fiscal impact, however, the benefits of promoting in-state tourism to Marylanders significantly outweigh the costs. This tax credit would incentivize Marylanders to travel within the state and would increase sales, accommodations, admissions, and amusement tax revenue. Our tourism community in Maryland, hard hit by the pandemic, would benefit from this tax credit.

This legislation includes support from the Greater Ocean City and Salisbury Chambers of Commerce, the Garrett County Chamber of Commerce, the Ocean City Hotel-Motel Restaurant Association, the Maryland Tourism Coalition, Worcester County Tourism, the Maryland Restaurant Association, and the Maryland Motel and Lodging Association.

Tourism is a powerful economic driver for the State of Maryland, I urge my colleagues on the Senate Budget and Taxation Committee to move favorable on Senate Bill 730 which would boost Maryland's tourism and travel economy, increase jobs, and reduce State spending on unemployment as we in Maryland continue to recover from the global COVID-19 pandemic.

Thank you for your kind consideration.

GCCC Testimony SB 730 Tourism Tax Credit 2-24-2021

Uploaded by: Christian, Nicole

Position: FAV



Testimony offered on behalf of:
THE GARRETT COUNTY CHAMBER OF COMMERCE

FAVORABLE:
SB 730 – Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses

Budget and Taxation Committee
February 24, 2021

On behalf of the Garrett County Chamber of Commerce, representing 600 member organizations in Western Maryland, I write to express our support of **SB 730 – Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses**.

Maryland's tourism industry has been severely battered by the pandemic. As the 11th largest industry in the state, it is imperative to our economic recovery that we enlist all means necessary to support tourism. In Garrett County, tourism accounts for \$315 million in visitor spending, has a total economic impact of \$360.5 million and supports more than 3,000 jobs. For this reason, we have requested this bill to incentivize travel in Maryland that will inject money back into some of the most vulnerable businesses in the state and help retain the jobs in this industry that are in jeopardy.

SB 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. Therefore, 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. The multiplier effect is significant and the program does not discriminate. It has broad applicability for all tourism businesses.

Tourism needs our help and the Chamber respectfully requests a **FAVORABLE REPORT on SB 730**.

Sincerely,

Nicole Christian, SON, CE

President & CEO

Garrett County Chamber of Commerce, Inc.

(301) 387-8745 office

(301) 616-0396 mobile





nicole@garrettchamber.com



SB0730-02.24.21- Income Tax-Credit for Travel Hosp

Uploaded by: Fry, Donald

Position: FAV



TESTIMONY PRESENTED TO THE SENATE BUDGET & TAXATION COMMITTEE

SENATE BILL 730 – INCOME TAX – CREDIT FOR TRAVEL, HOSPITALITY AND ENTERTAINMENT EXPENSES

Sponsor – Senators Edwards and Carozza

February 24, 2021

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Support

The Greater Baltimore Committee (GBC) supports Senate Bill 730 which creates a nonrefundable credit against State income tax for travel, hospitality, and entertainment expenses incurred within the State by an individual taxpayer under certain circumstances. The Department of Commerce is required to administer the credit and may award a maximum of \$25 million in credits in each of the 2021 and 2022 tax years.

While the COVID-19 pandemic and its accompanying economic crisis have impacted all industries and businesses, the tourism and hospitality industries and their workers have suffered disproportionately. The American Hotel and Lodging Association (AHLA) has estimated that the COVID-19 impact on the U.S. travel industry in 2020 was about nine times of that from the September 11 terrorist attacks. In 2020, hotel room revenue was cut in half, from \$167 billion to \$85 billion. The U.S. restaurant industry ended 2020 with about \$659 billion in total sales, \$240 billion below what the National Restaurant Association estimated for the year prior to the pandemic.

Maryland lost 34,000 jobs in the accommodation and food services industries between February and November 2020, according to Daraius Irani, chief economist for the Regional Economic Studies Institute at Towson University. In November 2020, the U.S. unemployment rate for hospitality workers was 19%, nearly 4 times the previous November's rate of 5.1%.

The travel, hospitality, and entertainment industries are facing multiple years of slow growth to achieve recovery. SB 730 has the potential to hasten that recovery as it encourages Marylanders to take advantage of our state's destinations. The bill would allow individuals to claim a tax credit equal to 100% of the qualified expenses incurred during qualified travel, not to exceed \$4,000 for an individual or \$8,000 for married couples filing jointly, plus \$500 for each dependent child. Qualified travel includes travel within Maryland during 2021 and 2022, with a final destination at least 50 miles from the principal residence of the individual taxpayer. Qualified expenses also includes food and beverage, lodging and transportation, live entertainment and sporting events, and attendance at a conference or business meeting.

The GBC *2021 Legislative Priorities* calls for elected leaders to provide recovery resources that are directed to the most impacted industries, including restaurants, hotels, retail, tourism, and nonprofits. While SB 730 does not provide direct recovery aid to the hospitality industry, the bill's provisions provide incentives for Marylanders to patronize the hospitality and tourism industry sector, strengthening the industry as it moves toward recovery.

For these reasons, the Greater Baltimore Committee urges a favorable report on Senate Bill 730.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 66-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

GREATER BALTIMORE COMMITTEE

111 South Calvert Street • Suite 1700 • Baltimore, Maryland • 21202-6180

(410) 727-2820 • www.gbc.org

SB730 Steve Green Testimony.PDF

Uploaded by: Green, Steven

Position: FAV



P.O. Box 85 • McHenry, MD 21541
(301) 387-4199 • FAX (301) 387-2103
www.highmountainsports.com
info@highmountainsports.com

My name is Steve Green, owner of High Mountain Sports at Deep Creek Lake, and Legislative Affairs Chair of the Garrett County Chamber Commerce.

Many tourism areas have done well but a lot have been decimated.

At first glance this looks like a money grab to help the rich. Reality is this could not be further from the truth. Let us focus the money from the wealthy to help hard hit businesses and put the people who work in these industries back to work.

The Tourism and Hospitality Industry in Maryland and the world has been battered by the pandemic. According to the U.S. Travel Association travel is down almost 500 billion dollars in the US, resulting in \$64 billion in missed federal, state, and local tax revenue since the beginning of March. Of all jobs lost nationwide, 39% are in leisure and hospitality.
https://www.ustravel.org/system/files/media_root/document/Research_Fact-Sheet_Industry-Table.pdf

SB 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

There has been a lot of short-term relief but there has been little long-term planning to rebuild this industry. This is a long-term solution to help rebuild this industry. Will there be pent up demand? Yes, and they are going to get on a plane to spend money out of state unless they are given a reason to spend their money in Maryland.

Please pass this bill so that we can be forward thinking about the future of this industry.

2021 SB730 Support Income Tax Credit for Travel.pdf

Uploaded by: Jones, Susan

Position: FAV



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,

A handwritten signature in black ink that reads 'Susan L. Jones'.

Susan L. Jones, Executive Director

Senate Bill 730 - DMO - Support .pdf

Uploaded by: Mason, Michael

Position: FAV



February 24, 2021

The Honorable Guy Guzzone, Chairman
Senate Budget & Taxation Committee

Re: Senate Bill 730 – Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses

Position: *Support*

Chairman Guzzone and Committee Members:

On behalf of the Maryland Destination Marketing Organizations (MDMO), I am writing to express our *support* for Senate Bill 730, Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses. Senate Bill 730 allows for an individual to claim a credit against the State income tax for certain travel, hospitality, and entertainment expenses. These tourism related expenses must be incurred by the individual during taxable years 2021 and 2022.

The Tourism Promotion Act of 2008 dedicated \$2.5 million in grant funding for the 23 counties, Baltimore City, and Ocean City. Each year the Maryland Destination Marketing Organizations' continue to leverage state, local, and private partnership funds to promote visitor spending in Maryland through direct and in-direct marketing efforts.

I respectfully request a *favorable* report of Senate Bill 730, which continues to show your dedicated support to the tourism industry. Thank you for your kind consideration and attention to this legislation.

Respectfully Submitted,

A handwritten signature in black ink that reads "Greg Pizzuto". The signature is written in a cursive, slightly slanted style.

Greg Pizzuto, Chair
Maryland Destination Marketing Organizations

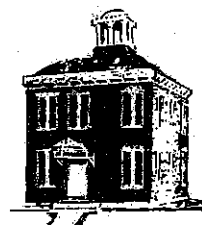
SB0730_SupportLetter_2.21.pdf

Uploaded by: McCoy, Juli

Position: FAV

ALLEGANY COUNTY CHAMBER OF COMMERCE

BELL TOWER BUILDING ■ 24 FREDERICK STREET ■ CUMBERLAND, MD 21502
301-722-2820 ■ FAX 301-722-5995
E-MAIL: info@alleganycountychamber.com



February 22, 2021

The Honorable Guy Guzzone, Chair
Senate Budget and Taxation Committee
3 West
Miller Senate Office Building
Annapolis, MD 21401

Re: SB0730 - Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses

Dear Chairman Guzzone:

The Allegany County Chamber of Commerce respectfully requests the Senate Budget and Taxation Committee give a **Favorable Report** to Senate Bill 0730 - Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses

COVID-19 will continue to affect the people and places of Maryland, potentially until 2024. In a state that offers beaches, mountains, cities, and rural settings, there are endless opportunities for Marylanders to explore and to take advantage of any number of activities. In an effort to encourage more travel, while also generating income for the multitude of struggling businesses across the state, SB0730 offers a reasonable credit against income tax for travel, and related expenses, as well as live entertainment and sporting events in 2021 and 2022.

Thank you for your consideration.

Sincerely,

Jeremy G. Irons
Legislative Committee Chair

Juli R. McCoy
Executive Director

cc: Honorable Jim Rosapepe, Vice Chair, Senate Budget and Taxation Committee
Senate Budget and Taxation Committee Members
Western Maryland Delegation

SB 730 Letter of Support TOURISM TAX CREDIT.pdf

Uploaded by: Meehan, Richard

Position: FAV



TOWN OF OCEAN CITY

The White Marlin Capital of the World

February 22, 2021

Budget and Taxation Committee
3 West
Miller Senate Office Building
Annapolis, MD 21401

LETTER OF SUPPORT

SENATE BILL 0730 – INCOME TAX CREDIT FOR TRAVEL, HOSPITALITY AND ENTERTAINMENT ESPENSES

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

On behalf of the Town of Ocean City, I would like to express our support for Senate Bill 0730. Over the past year, the Town of Ocean City has been diligently working with our partners to keep our industry alive during these unprecedented times.

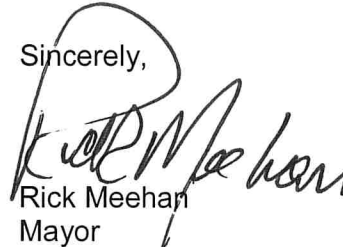
Senate Bill 0730 provides state income tax credits to Marylanders who travel within the state and spend money on hospitality related purchases. In-state travel must occur at least 50 miles from their permanent residence, and purchases must include: food and beverage, lodging, transportation, tickets for live entertainment and sporting events or expenses related to attending a conference or business meeting.

The tourism industry as a whole has been severely battered by this pandemic, and we need to take proactive and aggressive measures to preserve 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. In a typical year, tourism supports 226,000 direct and indirect jobs, making it the 11th largest industry in the state.

Tourism in Ocean City is our number one lifeline, generating \$1.74 billion in state and local taxes in FY20 and supplying more than 12,500 jobs. The tax credit would incentive Marylanders to explore their home state. Not only will travelers be stimulating the economy, but they will also be creating experiences with their friends and family and sharing that with others who will then want to join in the fun.

We respectfully request that you support Senate Bill 0730.

Sincerely,



Rick Meehan
Mayor

MAYOR
RICHARD W. MEEHAN

CITY COUNCIL

MATTHEW M. JAMES
President

ANTHONY J. DELUCA
Secretary

PETER S. BUAS
JOHN F. GEHRIG, JR.
J. FRANKLIN KNIGHT
LLOYD MARTIN
MARK L. PADDACK

CITY MANAGER
DOUGLAS R. MILLER

CITY CLERK
DIANA L. CHAVIS, CMC

www.oceancitymd.gov

P.O. BOX 158 • OCEAN CITY, MARYLAND • 21843-0158



City Hall – (410) 289-8221 • FAX – (410) 289-8703

2021 SB0730 Testimony in Support - BAMHA.pdf

Uploaded by: Plaut, Ari

Position: FAV



**LETTER OF SUPPORT ON BEHALF OF
BWI ARUNDEL MILLS HOSPITALITY ALLIANCE (BAMHA)**

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

Before the Budget and Taxation Committee, February 24, 2021

Dear Chairman & Committee Members,

My name is Ray Cajudoy, President of the BWI Arundel Mills Hospitality Alliance otherwise known as BAMHA. BAMHA is a voluntary, non-profit group of hotel and tourism professionals in the BWI Airport Arundel Mills, Maryland Regions. BAMHA's goal is to provide networking, education and outreach opportunities focused on increasing groups and meetings in this region. BAMHA works in collaboration with local Destination Marketing Organizations and State Tourism Organizations in an effort to build our region's tourism brand. On behalf of our members, I would like to express our support of SB730.

Tourism is vital to Maryland's economy! In a typical year, tourism supports 226,000 direct and indirect jobs, making it the 11th largest industry in the state. Visitors to Maryland spend nearly \$18.6 billion in Maryland each year and those same visitors generate close to \$2.6 billion in state and local taxes. Without tourism in the state of Maryland, each household would pay \$1,175 more in local taxes.

But as we all know, this past year has been anything but typical. Our industry has been devastated by the pandemic forcing many small businesses to close temporarily and in worst cases, permanently. Many of our members are creatively coming up with ways to keep their business alive and their employees employed. We need to do whatever we can to assist the tourism industry – attractions, hotels, restaurants, breweries, retailers – as much as possible as they will be at the forefront of bringing our Maryland economy back to life. The tax credit would incentive Marylanders to explore their home state from the slopes in the western regions to the beaches of the eastern shore. Not only will travelers be stimulating the economy, but they will also be creating experiences with their friends and family and sharing that with others who will then want to join in the fun. The small business community is a close-knit family, and we should do what we can to get people into our local businesses.

On behalf of the BWI Arundel Mills Hospitality Alliance (BAMHA), we respectfully request that you support SB0730.

Sincerely,

Ray Cajudoy
President – BWI Arundel Mills Hospitality Alliance
Area Director of Sales – Aimbridge Hospitality

MC Letter of Support SB 730 - Worcester Co..pdf

Uploaded by: Plaut, Ari

Position: FAV



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

SB0730 - Income Tax Credit - FAV - Sal Fasano - OC

Uploaded by: RASMUSSEN, DENNIS

Position: FAV



**The Greater Ocean City, Maryland
Chamber of Commerce, Inc.**

**TESTIMONY OFFERED ON BEHALF OF
THE GREATER OCEAN CITY CHAMBER OF COMMERCE**

IN SUPPORT OF:

SB 0730 - Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses

Before the:

SENATE BUDGET AND TAXATION COMMITTEE

February 24, 2021 at 12:00 PM

The Greater Ocean City Chamber of Commerce, representing more than 800 regional businesses and job creators, **strongly supports** Senate Bill 0730 – Income Tax – Credit for Travel, Hospitality, and Entertainment Expenses. Allowing an individual to claim a credit against the State income tax for certain travel, hospitality, and entertainment expenses paid or incurred by the individual during taxable years 2021 and 2022 under certain circumstances; providing that the credit may not be allowed for certain travel expenses for which the individual claimed a certain federal deduction; requiring the Department of Commerce, on application by an individual, to issue a tax credit certificate in a certain amount; etc.

Passage of this bill would provide the needed incentives and support for the tourism and hospitality community.

The Ocean City Chamber respectfully requests a **FAVORABLE REPORT for SB 0730**. Please feel free to contact the Chamber directly at 410-213-0144 should you have any questions.

Sincerely,

Lachelle Scarlato
Executive Director
Lachelle@oceancity.org

Salvatore Fasano
Legislative Committee Chair
Salvatorefasano1980@gmail.com

Eunice Q. Sorin Visitor & Conference Center

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www.oceancity.org • info@oceancity.org

Oral Testimony in support of SB0730.pdf

Uploaded by: Riehl, Chris

Position: FAV

Oral Testimony in support of SB0730 – Explore Maryland Tax Credit

Good afternoon senators. Good afternoon Mr. chair. Thank you for the opportunity to testify on behalf of SB 0730 the Explore Maryland Tax Credit. My name is Chris Riehl. I am the board chair of the Maryland Tourism Coalition and a Baltimore business owner.

I'm honored to represent an industry that supports over 200,000 Maryland jobs and in a typical year generates well over a billion dollars of economic activity. 95% of tourism businesses are small businesses and many of those are women and minority owned.

My company, Rent-A-Tour specializes in creating custom experiences for guests from all over the world. That's really what all of us who work in tourism and hospitality do. We're in the business of making memories, memories that are cherished and treasured forever. And one thing we've all learned this year is that these memories, these shared experiences, are extraordinarily valuable and when we're unable to travel and socialize and be together with one another, it leaves an awful hole.

The challenges this pandemic has created have been painfully difficult for all of us, but especially for our industry. We want to acknowledge and thank the legislature for all you've done so far to support our small businesses and our workers, but we're still hurting. The best way for our industry to recover is for us to get the virus under control and for our customers to return.

After so many months of being unable to travel and make lasting memories with the people we love, we know the demand for new experiences will be high as soon as it's safe to get back out there. This bill would incentivize Marylanders to make those lasting memories right here. Take a drive across the Bay Bridge and spend a few nights on the shore. Go camping in the mountains of Western Maryland. Head into Baltimore and soak up history and culture at museums like the Great Blacks in Wax. This is where memories are made. These experiences stay with us for the rest of our lives. We may not remember names but we surely remember the faces of the servers that sang Happy Birthday to us at our favorite restaurant, the museum docents who made history come to life in vivid detail, the zookeeper who showed us how to feed a giraffe, the worker who served us our funnel cake on the boardwalk.

This bill is a win-win-win. It's a win for Maryland's tourism businesses whose recoveries will be accelerated by the increased visitation this bill will encourage, saving countless jobs in the process. It's a shot in the arm for Maryland's overall economy as this bill will create economic stimulus and boost spending in our state, and it's a win for Marylanders who will most assuredly benefit from discovering all that this great state has to offer.

Those of us that work in this industry believe we have an especially important responsibility. We take it very seriously. It's our job to tell stories and make memories. With your help, soon we'll be back to doing what we do best. I urge you to support the Explore Maryland Tax Credit.

Respectfully Submitted,

Chris Riehl

MTC Board Chair

What have you been dreaming about? What have you been missing?

SB 730 2021 - Tourism.pdf

Uploaded by: Waters, Jessica

Position: FAV

TESTIMONY OFFERED ON BEHALF OF



IN SUPPORT OF:

SB 0730 - Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses

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

I am writing to express support for Senate Bill 730. Over the past year, the Town of Ocean City's Department of Tourism has been diligently working with our local and state partners to keep our industry alive during these unprecedented times. Tourism in Ocean City is our number one lifeline, generating \$1.74 billion in state and local taxes in FY20 and supplying more than 12,500 jobs.

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.

The tax credit would incentive Marylanders to explore all that our home state has to offer. Not only will travelers be stimulating the economy, but they will also be creating experiences with their friends and family and sharing that with others who will then want to join in the fun.

We respectfully request that you support Senate Bill 0730.

Most Sincerely,

Jessica Waters

Jessica Waters

Interim Director

Ocean City Department of Tourism