



## HOUSE BILL 1176

### Income Tax - Credit for Travel, Hospitality, and Entertainment Expenses

February 26, 2021

**Position: Support**

Madame Chair and Members of the Ways and Means Committee:

The *Restaurant Association of Maryland* supports House Bill 1176, which would provide a tax credit to Marylanders for expenses related to certain travel, hospitality and entertainment within the State of Maryland. Food and beverage expenses during such travel would also qualify for such a tax credit.

As you know, the restaurant and foodservice industry has been devastated by the catastrophic financial impact of the COVID pandemic and related operating restrictions, and we continue to struggle to recover from losses.

This legislation will provide a financial incentive for Marylanders to travel throughout our State and support the many tourism/hospitality sector businesses that have suffered during the pandemic. As more Marylanders are vaccinated and restrictions are lifted, the hospitality industry hopes that customers will return to patronizing our businesses to help us recover. The tax credit provided by this bill will be a big help in stimulating the necessary economic activity we desperately need. This will also generate more sales tax revenue from hospitality-related sales.

For these reasons, we support this legislation and request a favorable report.

Sincerely,

Melvin R. Thompson  
Senior Vice President  
Government Affairs and Public Policy