



SENATE BILL 622

Income Tax - Credit for Travel, Hospitality, and Entertainment

March 2, 2022

Position: Support

Mr. Chairman and Members of the Budget and Taxation Committee:

The *Restaurant Association of Maryland* supports Senate Bill 622, which would provide a tax credit to Marylanders for expenses related to certain travel within the State of Maryland. Expenses for food and beverages, lodging, and live entertainment and sporting events during such travel would qualify for the tax credit.

Foodservice businesses and the hospitality industry continue to struggle from the effects of the COVID pandemic, amid continuing supply chain challenges, rising food and product costs, and labor shortages. This legislation will provide a financial incentive for Marylanders to travel throughout our State and support the many tourism/hospitality sector businesses that are still in pandemic recovery mode.

The tax credit provided by this bill will help in stimulating the necessary economic activity we 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,

A handwritten signature in black ink that reads "Melvin R. Thompson". The signature is written in a cursive style and is followed by a long horizontal line.

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