



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

March 15, 2022

RE: SB 929 – Admissions and Amusement Tax – Sports Wagering – Prohibition – FAVORABLE

Dear Chair Guzzone and Members of the Budget and Taxation Committee:

Chesapeake Amusements, also known as Rod 'N' Reel Resort, is a family owned business located in Chesapeake Beach in Calvert County, Maryland that started in 1946 as a restaurant and marina. We continue to operate today with many expansions over the years to a full-service entertainment resort. We were fortunate in 2021 to be offered the opportunity to apply for a sports wagering license with the State when they legalized sports betting.

Senate Bill 929 would prohibit any jurisdiction from imposing admissions and amusement tax on proceeds from sports wagering. We strongly support this legislation because it was never the intent of the General Assembly to allow local jurisdictions the authority to place an additional admissions and amusement tax on sports wagering. The law requires sports wagering licensees to pay a 15% tax on all proceeds. This bill is necessary so that businesses, such as ours, are not required to pay additional taxes on proceeds from sports betting.

We are excited at the possibility at entering this market, but facing potential additional taxes would play a strong factor in our decision. In Fiscal Year 2020, the Town of Chesapeake Beach received \$1,618,132.00 in admissions and amusement tax. They are now seeking to earn additional revenues by double taxing sports wagering proceeds. For these reasons, Senate Bill 929 is necessary and we respectfully ask for your favorable report on the bill.

Many thanks for your time and assistance on this important matter.

Sincerely,

Mary E. Lanham
Rod 'N' Reel Resort