



# CITY OF HAGERSTOWN, MARYLAND

**Tekesha Martinez**  
**Mayor**

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March 6, 2023

The Honorable Guy Guzzone  
Chair, Senate Budget and Taxation Committee  
2 East Miller Senate Office Building  
Annapolis, Maryland 21401-1911

**RE: OPPOSITION – SB 533 – Washington County – Admissions and Amusement Tax – Repeal**

Please accept this letter as written testimony of the City of Hagerstown’s governing body in opposition of this proposed legislation.

The Admissions and Amusement (A&A) tax has long been applicable in the City of Hagerstown, as well as throughout all municipalities and Washington County Government, to aid in the funding of additional services provided to those charging the A&A tax in holding events where for-profit revenue is being received. The A&A tax charged within the City of Hagerstown is 10% of gross receipts, except:

- 3% of gross receipts for admission charges to any theater, opera or concert
- 3% of gross receipts from bingo operations
- 5% of gross receipts derived from concessions and carnivals
- 5% of gross receipts derived from shows and exhibits
- No A&A is received from qualified entities / activities within our Arts and Entertainment District.

A repeal of this tax would eliminate **\$350,000** immediately from the general fund of the City of Hagerstown, with forecasts showing at least a **\$500,000** deficit in FY26.

Admissions and amusement taxes are usually charged by state and local governments as a way to generate revenue for public services and programs. The ability for a municipality in Maryland to generate revenue is very limited. By charging this tax, municipalities and the County can fund public services such as education, public transportation, parks, and other infrastructure. The City, in order to continue to provide services utilizing these funds, would need to find the revenue from another source or forego potentially a service that our residents and visitors deem important.

In addition to generating revenue, admissions and amusement taxes can also serve as a way to promote local tourism and entertainment industries. By providing funding for public services and infrastructure, governments can create an environment that attracts visitors and encourages businesses to invest in the area. This can lead to increased economic growth and job creation.

**The City of Hagerstown urges the committee to NOT SUPPORT SB533 and not allow it to move forward out of this committee.**

Sincerely,

Tekesha Martinez

