



SB 324 – Admissions and Amusement Tax – Food and Beverages
In the Senate - Budget and Taxation Committee
January 29, 2025
Position: Unfavorable

My name is Bobby Fiandra, I'm a Baltimore City Resident, and I serve as a District Manager for Regal Cinemas, overseeing operations in Maryland, Virginia, and the District of Columbia. Regal operates nine theaters in Maryland, offering 131 screens that cater to a diverse audience. I am writing to express our concerns and opposition to Senate Bill 324.

Regal, like many in our industry, suffered devastating impacts through and after the COVID-19 pandemic. The extended closures, coupled with reduced attendance and increased operating costs, forced us to make difficult decisions, including filing for Chapter 11 bankruptcy and permanently closing four theaters in Maryland. This includes just recently closing our Germantown Maryland location as of December 2024. Challenges such as the 2023 labor strikes in Hollywood have further hindered our financial stability continuing to constrain our attendance levels even today.

Senate Bill 324 threatens to exacerbate these challenges. The proposed tax would impose an additional financial burden on theater operations, particularly by increasing the cost of concessions, which are critical to our revenue. This tax could force us to raise prices on food and beverages, making out-of-home entertainment less accessible to Maryland families and further discouraging patronage. The implications of additional tax could also result in the closure of more theatres.

Theaters operate in a highly competitive environment, and our ability to attract guests depends on providing a compelling and affordable experience. Additional taxes reduce our operational flexibility, limiting our ability to reinvest in facilities, technology, and programming that draw audiences back to the theater. This, in turn, impacts not only our business but also the local economy, as theaters generate significant tax revenue and employment opportunities.

We respectfully urge the committee to take an Unfavorable position or seek exemption for movie theatres.

Sincerely,

Bobby Fiandra
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