

**LICENSED BEVERAGE DISTRIBUTORS OF MARYLAND, INC.**

Leadership in Industry Cooperation  
446 Park Creek Road  
Pasadena, Maryland 21122

January 27, 2025

**SB 0324 – OPPOSE**

**Members**

**BREAKTHRU BEVERAGE DISTRIBUTORS  
REPUBLIC NATIONAL DISTRIBUTING  
COMPANY, LLC**

Senator Guy Guzzone, Chairman  
Members - Budget and Taxation Committee

Mr. Chairman and Members:

Here we go again. **Maryland has the ninth highest tax on alcoholic beverages** in the United States thanks to rate increases. Now there is a proposal to push Maryland higher up the list of taxes on alcoholic beverages. This time, we will place an amusement tax on alcoholic beverages. That would be amusing ... but enough is enough.

Excise tax, sales tax and now an amusement tax on a beverage. There may be no other product in Maryland taxed three times. **This amounts to triple taxation.** Let's look at this proposal from the taxpaying consumer's position. They already pay **the ninth highest taxes on alcoholic beverages in the country** at \$11.96 per gallon, according to Wise Voters. The national average is \$8.04. Marylanders already pay almost 50% more than the national average. They also already pay a 50% higher state sales tax on alcoholic beverages than other merchandise. Is the goal to push alcohol sales out of state? Is the goal to help the economies in Delaware, Pennsylvania, Virginia and the District by raising the tax in Maryland? We hope not.

The unintended consequences of this proposed budget fix are troubling. This proposal not only **puts Maryland at a sales disadvantage in the DMV**, but also will create competitive winners and losers amongst the subdivisions. The proposal authorizes, but does not mandate, imposition of the amusement tax. This enables shoppers to cherry pick where it will buy a six pack of beer, bottle of wine or whiskey. This will drive sales to some locations and discourage sales in other subdivisions.

Last, the proposal **increases prices at restaurants and bars which already are struggling** to recover from Covid. Just this month, four restaurants closed in Baltimore's Fells Point. Restaurants do not need another challenge to stay in business.

The amusement tax on alcoholic beverages is not amusing, nor is it a good idea. As such, we implore the committee to issue an unfavorable report on SB 0324.

Very truly yours,

Bruce Bereano, representing the Licensed Beverage Distributors of Maryland