

CORY V. MCCRAY
Legislative District 45
Baltimore City

DEPUTY MAJORITY WHIP

Budget and Taxation Committee

Subcommittees

Chair, Health and Human Services

Vice Chair, Capital Budget

Executive Nominations Committee

Legislative Policy Committee

Joint Committee on Gaming Oversight



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THE SENATE OF MARYLAND
ANNAPOLIS, MARYLAND 21401

Vote YES on Senate Bill 324

Bill Title: Admission and Amusement Tax – Food and Beverages

Committee: Budget and Taxation

Hearing Date: January 29, 2025

Dear Chair and members of the committee:

I am writing to you today in support of Senate Bill 324, which would give counties and municipal corporations the option to establish a targeted admissions and amusement tax on food and beverage sales at establishments with on-premises consumption facilities.

The bill establishes a framework for counties and cities to implement a carefully structured tax on food and beverages consumed at dining establishments. The tax would include regular food and drinks, alcoholic beverages served on-site, soft drinks, and confectionery items when sold at locations where customers can consume these items on the premises.

Senate Bill 342 does include a few protections and limitations. The legislation would exempt grocery stores selling food for home consumption, liquor stores and carry-outs selling for off-premises consumption, and vending machine sales. Establishments that only offer mechanical music, radio, or television and prohibit dancing would not be subject to this tax. These exemptions help ensure the tax is focused on dining and establishment venues rather than everyday retail purchases.

Under **SB 342**, the food and beverage tax rate would not exceed 3 percent for counties and municipalities. This rate is separate from and would not count toward the existing combined 11-percent cap on admissions and sales tax. This structure gives local governments the flexibility to implement rates that work for communities while maintaining clear limits to protect businesses and consumers.

Local governments would need to follow specific processes to implement the tax - counties through a resolution and municipalities through an ordinance or resolution. This ensures proper public process and oversight in any jurisdiction choosing to utilize this authority.

In closing, I respectfully urge you to support Senate Bill 342. This legislation provides a balanced approach to expanding local revenue options while including appropriate safeguards and limitations.

Respectfully,

A handwritten signature in blue ink, appearing to read "Cory V. McCray". The signature is fluid and cursive, with a large initial "C" and a long horizontal stroke.

Cory V. McCray
45th District