



WAREHOUSE™

C I N E M A S

SB 324 - Admissions and Amusement Tax - Food and Beverages
Senate Budget and Taxation Committee
January 24, 2025
Position: Unfavorable

Dear Senator McCray,

I am writing in opposition to SB 324 - Admissions and Amusement Tax - Food and Beverages.

My name is Richard Daughtridge, and I am the President and CEO of Warehouse Cinemas. We are a small movie theatre with 3 locations in Maryland, including a location in Baltimore City. Specifically, Baltimore City taxes are already the highest among our three locations. I am concerned this will lead to the implementation of an additional 3% concession tax which will financially hurt our company. This may also force us to increase ticket sales to the consumer.

Furthermore, based on the challenges facing the movie theater industry and our unique workforce, I would recommend at least an exemption for movie theaters.

Our company first opened during the pandemic, and we are still recovering from our costs. Additionally, the effects of the pandemic made things difficult for us to recover as the movie theater industry has been one of those that were greatly affected by this global crisis. Also, the recent Hollywood labor strikes have reduced the number of movies being released, which has had a major impact on attendance. Another major challenge has been the increase in the minimum wage. This has forced us to raise prices to compensate. A tax increase will do the same. We simply do not need another challenge to overcome in our efforts to stay in business.

Thank you for your time.

Respectfully,

Richard Daughtridge
Warehouse Cinemas
President and CEO