



Peter Franchot
Comptroller

Andrew Schaufele
Director
Bureau of Revenue Estimates

October 28, 2020

Ms. Liz Fitzsimmons
Department of Commerce
Maryland Office of Tourism Development
401 East Pratt Street
Baltimore, Maryland 21202

Dear Ms. Fitzsimmons:

As requested by your office and therefore required by Section §4-216 of the Economic Development Article, the Comptroller's Office is reporting that the qualifying tourism tax increment is \$0.0 million for fiscal year 2022. This analysis relies on self-reported sales tax industry codes and assumptions as to the revenue generated from tourism and tourism-related activities in those industries, as estimated by the Comptroller's Office and the Department of Business and Economic Development.

The attached table shows the industry codes and the percentage of revenues from those categories that we have estimated to be tourism-related revenues, and the growth of these revenues in fiscal year 2020. Tourism-related revenues were \$428.1 million in fiscal year 2020; as these revenues decreased 14.2%, below the 3% growth threshold, one half of the amount that is greater than 3% growth results in a tourism tax increment of \$0.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Andrew Schaufele

cc: Honorable Peter Franchot
Senator Sarah Elfreth
Emmanuel Welsh
Sharonne Bonardi
Jonathan Martin

Tourism Tax Increment
(\$ in millions)

<u>Code</u>	<u>Description</u>	<u>FY 2015 Actual</u>	<u>FY 2016 Actual</u>	<u>FY 2017 Actual</u>	<u>FY 2018 Actual</u>	<u>FY 2019 Actual</u>	<u>FY 2020 Actual</u>	<u>Tourism Factor</u>	<u>FY 2015 Base</u>	<u>FY 2016 Base</u>	<u>FY 2017 Base</u>	<u>FY 2018 Base</u>	<u>FY 2019 Base</u>	<u>FY 2020 Base</u>	<u>Growth</u>
108	Restaurants, Lunchrooms, Delicatessens - w/o Beer, Wine and Liquor License	\$ 360.2	\$ 388.5	\$ 400.3	\$ 410.9	\$ 432.1	\$ 399.6	33%	\$ 120.1	\$ 129.5	\$ 133.4	\$ 137.0	\$ 144.0	\$ 133.2	-7.5%
111	Hotels, Motels Selling Food w/Beer, Wine and Liquor License	42.2	40.0	38.3	37.8	35.5	24.1	100%	42.2	40.0	38.3	37.8	35.5	24.1	-32.2%
112	Restaurants and Night Clubs w/Beer, Wine and Liquor License	261.5	265.5	273.5	280.1	286.2	237.7	33%	87.2	88.5	91.2	93.4	95.4	79.2	-17.0%
306	General Merchandise	221.3	268.7	280.4	317.3	366.6	394.1	5%	11.1	13.4	14.0	15.9	18.3	19.7	7.5%
407	Automobile, Bus and Truck Rentals	67.2	70.8	73.4	73.4	80.4	71.0	90%	60.5	63.8	66.1	66.0	72.4	63.9	-11.8%
706	Airlines - Commercial	0.5	0.6	0.4	0.4	0.3	0.3	50%	0.2	0.3	0.2	0.2	0.2	0.1	-3.8%
901	Hotels, Motels, Apartments, Cottages	100.4	110.4	121.1	125.0	128.6	104.0	100%	100.4	110.4	121.1	125.0	128.6	104.0	-19.1%
925	Recreation and Amusement Places	8.6	9.3	9.3	9.1	9.2	7.7	50%	4.3	4.6	4.6	4.5	4.6	3.8	-16.5%
TOTAL		\$ 1,062.0	\$ 1,153.9	\$ 1,196.7	\$ 1,253.9	\$ 1,338.9	\$ 1,238.4		\$ 425.9	\$ 450.6	\$ 468.9	\$ 479.8	\$ 499.0	\$ 428.1	-14.2%

Growth @ 3%

\$ 514.0

Difference from Actual

\$ (85.9)

Tourism Tax Increment

\$0.0

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