



## Senate Bill 716

### *Admissions and Amusement Tax - Exemption - Agricultural Tourism and Promotion of Agricultural Products*

MACo Position: **SUPPORT**  
**WITH AMENDMENTS**

Date: March 2, 2017

To: Budget & Taxation Committee

From: Barbara Zektick

The Maryland Association of Counties (MACo) **SUPPORTS SB 716 WITH AMENDMENTS**. This bill requires local governments to exempt “agricultural tourism” from the admissions and amusement tax. MACo seeks a local option for each county to implement this.

MACo supports this bill with the sponsor’s amendments. Many counties are interested in promoting agricultural tourism in their jurisdictions as a means to support the agricultural industry. In fact, Baltimore and Harford counties already exempt such activities from their admissions and amusement taxes, through state legislation. According to a *Baltimore Sun* article published on October 14, 2014, “[a]gritourism revenues have grown in Maryland from \$1.2 million in 2002 to about \$7.2 million in 2012, according to the U.S. Census of Agriculture, and state officials have touted such activities to help keep farms financially stable.” Agritourism can be a means to keep farms profitable during times of low production, and it offers opportunities to show off Maryland counties’ unique agricultural assets.

MACo generally supports legislation which enables counties to authorize local tax exemptions by local ordinance, as opposed to bills which mandate those exemptions across the board. Mandated tax exemptions require each county to forego meaningful local revenues to support essential public services, even if the exemption does not serve the best interests of that particular county. Particularly, but not exclusively, during times of economic uncertainty and revenue projection shortfalls, counties require full authority to balance their budgets as they deem most fit. MACo appreciates the sponsor’s willingness to amend SB 716 to strike lines 1 through 6 on page 3 of the bill, and instead include within the bill that a county or municipal corporation may exempt, by ordinance, from the admissions and amusement tax gross receipts from any admissions and amusement charge for any activities related to agricultural tourism.

For these reasons, MACo urges the Committee to give SB 716 a report of **FAVORABLE WITH AMENDMENTS**.