



Peter Franchot
Comptroller

David Roose
Director
Bureau of Revenue Estimates

September 1, 2010

Honorable Martin O'Malley
Governor of Maryland
State House
Annapolis, Maryland 21401

Honorable Thomas V. "Mike" Miller, Jr.
President, Senate of Maryland
State House
Annapolis, Maryland 21401

Honorable Michael E. Busch
Speaker, Maryland House of Delegates
State House
Annapolis, Maryland 21401

Secretary Christian S. Johansson
Department of Business and Economic
Development
217 East Redwood Street
Baltimore, Maryland 21202

Secretary T. Eloise Foster
Department of Budget and Management
45 Calvert Street
Annapolis, Maryland 21401

Dear Governor, President, Speaker, and Secretaries:

As required by Chapter 181 (Senate Bill 458) of the 2008 Session of the General Assembly, the Comptroller's Office is reporting that the qualifying tourism tax increment is \$0 for fiscal year 2012. This analysis relies on the sales tax industry codes reflecting revenue generated from tourism and tourism-related activities, as determined 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 jointly determined are tourism-related revenues. As these revenues declined 5.0% for fiscal year 2010, well under the 3% growth threshold, the qualifying tourism tax increment is \$0.

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

Sincerely,

David F. Roose

cc: Honorable Peter Franchot
Senator John Astle
Len Foxwell
Linda Tanton
Margot Amelia

Tourism Tax Increment
(\$ in millions)

<u>Code</u>	<u>Description</u>	<u>FY 2009 Actual</u>	<u>FY 2010 Actual</u>	<u>Tourism Factor</u>	<u>FY 2009 Base</u>	<u>FY 2010 Base</u>	<u>Growth</u>
108	Restaurants, Lunchrooms, Delicatessens w/o Beer, Wine, and Liquor License	\$286.8	\$282.2	33%	\$95.6	\$94.1	-1.6%
111	Hotels, Motels Selling Food w/ Beer, Wine, and Liquor License	37.8	38.5	100%	37.8	38.5	1.7%
112	Restaurants and Night Clubs w/ Beer, Wine, and Liquor License	198.1	200.5	33%	66.0	66.8	1.2%
306	General Merchandise	124.9	136.2	5%	6.2	6.8	9.0%
407	Automobile, Bus, and Truck Rentals	59.5	44.6	90%	53.6	40.1	-25.2%
706	Airlines - Commercial	0.2	0.3	50%	0.1	0.1	32.1%
901	Hotels, Motels, Apartments, Cottages	83.1	79.9	100%	83.1	79.9	-3.8%
925	Recreation and Amusement Places	7.6	5.2	50%	3.8	2.6	-31.2%
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TOTAL		\$798.1	\$671.4		\$346.3	\$329.0	-5.0%

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