



Peter Franchot
Comptroller

Andrew Schaufele
Director
Bureau of Revenue Estimates

September 22, 2016

Ms. Liz Fitzsimmons
Department of Business and Economic Development
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 \$5.9 million for fiscal year 2018. This analysis relies on the sales tax industry codes reflecting revenue generated from tourism and tourism-related activities, as determined jointly 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 well as the growth in these revenues in fiscal year 2016. Actual collections were \$450.6 million; as these revenues increased 5.8% for fiscal year 2016, above the 3% growth threshold, one half of the amount that is greater than 3% growth results in a tourism tax increment of \$5,923,098.

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

Sincerely,

Andrew Schaufele

cc: Honorable Peter Franchot
Senator John Astle
Len Foxwell
Sharonne Bonardi
Jonathan Martin

**Tourism Tax Increment
(\$ in millions)**

<u>Code</u>	<u>Description</u>	<u>FY 2013 Actual</u>	<u>FY 2014 Actual</u>	<u>FY 2015 Actual</u>	<u>FY 2016 Actual</u>	<u>Tourism Factor</u>	<u>FY 2013 Base</u>	<u>FY 2014 Base</u>	<u>FY 2015 Base</u>	<u>FY 2016 Base</u>	<u>Growth</u>
108	Restaurants, Lunchrooms, Delicatessens - w/o Beer, Wine and Liquor License	\$ 323.7	\$ 337.2	\$ 360.2	\$ 388.5	33%	\$ 107.9	\$ 112.4	\$ 120.1	\$ 129.5	7.9%
111	Hotels, Motels Selling Food w/Beer, Wine and Liquor License	42.8	41.5	42.2	40.0	100%	42.8	41.5	42.2	40.0	-5.2%
112	Restaurants and Night Clubs w/Beer, Wine and Liquor License	247.0	249.8	261.5	265.5	33%	82.3	83.3	87.2	88.5	1.5%
306	General Merchandise	156.6	165.2	221.3	268.7	5%	7.8	8.3	11.1	13.4	21.4%
407	Automobile, Bus and Truck Rentals	62.4	64.6	67.2	70.8	90%	56.2	58.1	60.5	63.8	5.5%
706	Airlines - Commercial	0.3	0.4	0.5	0.6	50%	0.1	0.2	0.2	0.3	28.8%
901	Hotels, Motels, Apartments, Cottages	91.8	94.4	100.4	110.4	100%	91.8	94.4	100.4	110.4	9.9%
925	Recreation and Amusement Places	6.1	6.4	8.6	9.3	50%	3.1	3.2	4.3	4.6	7.8%
TOTAL		\$ 930.7	\$ 959.5	\$1,062.0	\$1,153.9		\$ 392.0	\$ 401.3	\$ 425.9	\$ 450.6	5.8%

Growth @ 3% \$ 438.7

Bureau of Revenue Estimates
Comptroller of Maryland
September 16, 2016

Difference from Actual \$ 11.8
Tourism Tax Increment \$ 5.9