



**Peter Franchot**  
*Comptroller*

**David Roose**  
*Director*  
*Bureau of Revenue Estimates*

September 5, 2012

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 Section §4-214 of the Economic Development Article, the Comptroller's Office is reporting that the qualifying tourism tax increment is \$3,573,000 for fiscal year 2014. 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 well as the growth in these revenues in fiscal year 2012 after adjusting for the sales tax rate increase on the sale of alcohol. Actual collections were \$389.2 million; adjusted for the rate increase, these revenues totaled \$377.5 million. As tourism revenues increased 5.0% for fiscal year 2012, well above the 3% growth threshold, the qualifying tourism tax increment is \$3,573,000 (without adjusting for the alcohol sales tax rate increase the tourism tax increment would be \$9,425,000).

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  
Marc Nicole  
Margot Amelia

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

<u>Code</u>	<u>Description</u>	<u>FY 2011 Actual</u>	<u>FY 2012 Actual</u>	<u>Tourism Factor</u>	<u>FY 2011 Base</u>	<u>FY 2012 Base</u>	<u>Growth</u>
108	Restaurants, Lunchrooms, Delicatessens - w/o Beer, Wine and Liquor License	\$ 291.3	\$ 310.3	33%	\$ 97.1	\$ 103.4	6.5%
111	Hotels, Motels Selling Food w/Beer, Wine and Liquor License	41.4	42.4	100%	41.4	42.4	2.5%
112	Restaurants and Nite Clubs w/Beer, Wine and Liquor License	211.2	222.3	33%	70.4	74.1	5.2%
306	General Merchandise	141.1	153.4	5%	7.1	7.7	8.7%
407	Automobile, Bus and Truck Rentals	62.6	64.4	90%	56.4	58.0	2.9%
706	Airlines - Commercial	0.3	0.3	50%	0.1	0.2	32.3%
901	Hotels, Motels, Apartments, Cottages	84.1	88.7	100%	84.1	88.7	5.5%
925	Recreation and Amusement Places	6.0	5.9	50%	3.0	2.9	-2.3%
TOTAL		\$ 837.9	\$ 887.8		\$ 359.5	\$ 377.5	5.0%

Bureau of Revenue Estimates  
Comptroller of Maryland  
August 30, 2012