

Maryland Tourism Monitor

A monthly report of travel, trade and tourism trends in Maryland as monitored by the Office of Tourism Development

Data as of March 31, 2009

Tax revenue highlights

Tourism-related tax codes continue to outperform overall sales tax collections fiscal year-to-date (July 2008-January 2009) – up 16.7 percent over last year’s sales taxes compared to 12 percent for all sales tax categories—a 40 percent higher growth rate.

These gains reflect increases in amusement and lodging spending in Maryland. Sales tax revenues across the state suggest that spending for recreation and amusement is up 27 percent July 2008 through January 2009 versus the same time period in the prior year. Sales tax revenues from accommodations have increased more than 4 percent this fiscal year to date, reflecting a robust January due, in part, to increased traffic for the presidential inauguration.

Visitmaryland.org Unique Web Site Users

OTD is making headway toward passing last year’s web site usage. February 2009’s internet visitation grew 27 percent from January 2009 and 7 percent over February 2008, reflecting OTD’s move to a year-round online advertising presence. For the year to date, OTD still lags 3.3 percent due to the web site being down during the redesign relaunch in the fall and the World Trade Center server relocation in January. We expect an uptick in visitors over the next few months due to more web advertising during the prime travel-planning period.

February FY 09 – 80,125	FY 09 to date – 704,992
February FY 08 – 74,822	FY 08 to date – 729,221
Percent Change – 7.1	Percent Change – (3.3)

Advertising-generated Inquiries

Year-round online advertising is proving to be successful this year, driving more than 16,000 consumers to the visitmaryland.org web site in February and bringing the total number of advertising-generated inquiries up to nearly three times the February 2008 number.

	February FY 09	February FY 08	% Change
Web Advertising Responses	16,879	-	-
Consumer Label Requests	1,874	2,569	-27.1%
Web Site Requests	3,014	3,596	-16.2%
Broadcast (TV/Radio) Requests	144	284	-49.3%
Print Advertising Requests	135	464	-70.9%
OTD 800 Number Requests	49	123	-60.2%
Total	22,095	7,634	189.4%

Literature Distribution

Printed materials – Nearly 100,000 (97,132) pieces of literature were distributed in February to consumers by mail and to Welcome Centers for consumption, a growth of 17.9 percent over last February. For the year to date, OTD trails last year’s distribution by 28 percent.

E-newsletter

Consumer - The number of consumers receiving the *Insights* e-newsletter in February was 17,263, a 12 percent jump over the previous month as OTD staff members focus efforts on increasing this number.

Industry – The number of subscribers receiving the *Insights* e-newsletter expanded to 4,055 in February – more than double the number of subscribers last year at this time.

Welcome Centers

Maryland Welcome Centers served 65,032 visitors in February. Total Welcome Center visitation is down 12 percent this fiscal year, driven by the closures of State House and the I-70s centers. If you exclude these locations from analysis, Welcome Centers that operate on the same capacity as last year have a 3.2 percent growth in visitation for the year to date, with a 2 percent decline from February 2008.

Lodging

According to the latest data from Smith Travel Research, Inc., room demand in Maryland grew 2.9 percent in February compared to the U.S. decline of 7.2 percent. Maryland’s occupancy compared to last February is down 3.5 percent because the supply of rooms increased by 6.6 percent, but is still faring better than the overall U.S. industry (down 10.1 percent). Highlights are in the Maryland South and East regions with total revenue up 76.7 points and Frederick/Rockville with total revenue up 2.9 percent for February.

Amtrak

In February, the Amtrak train system in Maryland recorded 56,000 non-commuter arrivals, a decline of 13.3 percent from last February.

Airports

BWI domestic passenger arrivals declined 10.5 percent and international arrivals declined 22.4 percent in February compared to the same period last year. In total, 656,924 passengers flew into BWI during February 2009, compared to 736,369 last February.

Tourism Sales Taxes

The Maryland Comptroller’s Office released January’s sales and use tax revenues. The top table shows tourism-related tax collections for the fiscal year to date compared to total sales tax categories. The second table shows tourism tax factors stipulated in the Tourism Promotion Act. Overall, tourism-related sales tax collections for the year

Tourism Sales Taxes (continued)

to date are experiencing a 40 percent higher growth rate than overall sales tax collections for this year to date, with a 16.7 percent growth rate compared to a 12 percent growth rate. The SB 458 composite of the tourism-tax factor still lags 2.6 percent behind last year's collections after adjusting collections for a 5-percent equivalent comparison.

TOTAL SALES TAX REVENUES IN TOURISM-RELATED CATEGORIES						
Tax Code	July - January FY 2009		July - January FY 2008		Actual Revenue Change	Change In 5% Sales Tax
	Total Receipts	5% Equivalent*	Total Receipts	5% Equivalent*		
111 Hotels, Motels Selling Food W/BWL**	22,189,460	18,318,402	17,902,381	17,614,367	23.9%	4.0%
901 Hotels, Motels, Apartments, Cottages	50,669,192	41,829,707	40,754,500	40,098,423	24.3%	4.3%
108 Restaurants, Lunchrooms, Delis WO/ BWL**	164,982,090	136,200,168	139,680,802	136,243,389	18.1%	0.0%
112 Restaurants and Nite Clubs - W/BWL**	113,368,084	93,590,475	99,319,282	96,982,442	14.1%	-3.5%
306 General Merchandise	75,022,721	61,934,645	61,868,282	60,511,408	21.3%	2.4%
407 Automobile, Bus and Truck Rentals	35,639,573	29,422,077	37,350,802	36,526,826	-4.6%	-19.5%
706 Airlines - Commercial	139,828	115,434	101,698	96,455	37.5%	19.7%
925 Recreation and Amusement Places	5,343,181	4,411,037	3,533,153	3,467,945	51.2%	27.2%
Total Tourism Tax Categories Subtotal*	467,354,129	385,821,945	400,510,899	391,541,255	16.7%	-1.5%
Total Sales Taxes Subtotal - All Categories	2,319,801,410	1,915,100,852	2,072,152,741	2,023,504,339	12.0%	-5.4%

* To find 5% equivalent in months when sales tax is 6%, OTD divided tax revenues by 6%, multiplied by .99% then multiplied by 5%.

TOURISM TAX FACTORS AND CATEGORY GROWTH BASED ON 5% ADJUSTMENTS				
Tax Code	Tax Factor	July - January FY 2009	July - January FY 2008	% Change
111 Hotels, Motels Selling Food - W/BWL**	100%	18,318,402	17,614,367	4.0%
901 Hotels, Motels, Apartments, Cottages	100%	41,829,707	40,098,423	4.3%
108 Restaurants, Lunchrooms, Delicatessens - WO/BWL**	33%	44,946,055	44,960,319	0.0%
112 Restaurants and Nite Clubs - W/BWL**	33%	30,884,857	32,004,206	-3.5%
306 General Merchandise	5%	3,096,732	3,025,570	2.4%
407 Automobile, Bus and Truck Rentals	90%	26,479,870	32,874,144	-19.5%
706 Airlines - Commercial	50%	57,717	48,227	19.7%
925 Recreation and Amusement Places	50%	2,205,519	1,733,972	27.2%
Total		167,818,858	172,359,228	-2.6%

** W/BWL - includes establishments with beer, wine and liquor sales; **WO/BWL - includes establishments without beer, wine and liquor sales.