

**CITY OF BALTIMORE**  
**ORDINANCE \_\_\_\_\_**  
**Council Bill 09-0290**

---

Introduced by: Councilmember Curran, President Rawlings-Blake, Councilmembers Cole,  
Middleton, Branch, Henry, Welch, Young, Kraft, Spector, Conaway  
Introduced and read first time: February 23, 2009  
Assigned to: Taxation, Finance and Economic Development Committee

---

Committee Report: Favorable with amendments  
Council action: Adopted  
Read second time: May 24, 2010

---

**AN ORDINANCE CONCERNING**

**Amusement Devices – Simulated Slot Machines – Zoning –  
Licensing and Regulation – Admissions and Amusement Tax**

FOR the purpose of modifying certain limitations on amusement devices as accessory uses in certain zoning districts; defining certain terms; modifying the ~~license fee~~ registration tax for certain amusement devices; exempting certain amusement devices from the admissions and amusement tax; providing for an award program for persons reporting unlicensed or unregistered amusement devices; providing for a special effective date; and generally relating to the zoning, licensing, regulation, and taxation of amusement devices.

By repealing and reordaining, with amendments

Article - Zoning  
Section(s) 1-110, 6-207(2), 7-209(1)  
Baltimore City Revised Code  
(Edition 2000)

By adding

Article - Zoning  
Section(s) 1-189.1  
Baltimore City Revised Code  
(Edition 2000)

By repealing and reordaining, without amendments

Article - Zoning  
Section(s) 6-307, 6-407, 6-507, 6-607, 7-310, 7-409  
Baltimore City Revised Code  
(Edition 2000)

**EXPLANATION:** CAPITALS indicate matter added to existing law.  
[Brackets] indicate matter deleted from existing law.  
Underlining indicates matter added to the bill by amendment.  
~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from existing law by amendment.

**Council Bill 09-0290**

1 BY repealing and reordaining, without amendments  
2 Article 15 - Licensing and Regulation  
3 Section(s) ~~2-11(b), 2-12(a), 2-13(a), 2-15(b)~~, 2-19  
4 Baltimore City Code  
5 (Edition 2000)

6 BY adding  
7 Article 15 - Licensing and Regulation  
8 Section(s) 2-11(f), 2-17.1  
9 Baltimore City Code  
10 (Edition 2000)

11 BY repealing and reordaining, with amendments  
12 Article 15 - Licensing and Regulation  
13 Section(s) 2-12, 2-13(a), ~~2-15(a)~~, 2-15, 2-17, 2-18(c)(1) and (d)(1), and 46-2  
14 Baltimore City Code  
15 (Edition 2000)

16 BY repealing and reordaining, without amendments  
17 Article 28 - Taxes  
18 Section(s) 19-1(a)  
19 Baltimore City Code  
20 (Edition 2000)

21 BY adding  
22 Article 28 - Taxes  
23 Section(s) 19-5  
24 Baltimore City Code  
25 (Edition 2000)

26 **SECTION 1. BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF BALTIMORE,** That the  
27 Laws of Baltimore City read as follows:

28 **Baltimore City Revised Code**

29 **Article – Zoning**

30 **§ 1-110. Amusement device.**

31 (a) *In general.*

32 “Amusement device” has the meaning stated in City Code Article 15 {“LICENSING AND  
33 REGULATION”}, § 2-11 {“DEFINITIONS”}, except as specified in subsection (b) of this  
34 section.

35 (b) *Exclusions.*

36 “Amusement device” does not include any peep show device.

**Council Bill 09-0290**

**§ 1-189.1. SIMULATED SLOT MACHINE.**

“SIMULATED SLOT MACHINE” HAS THE MEANING STATED IN CITY CODE ARTICLE 15  
{“LICENSING AND REGULATION”}, § 2-11 {“DEFINITIONS”}.

**§ 6-207. Accessory uses {B-1}.**

In a B-1 District, accessory uses and structures include the following:

(2) Amusement devices, as follows:

(i) [No more than 5] ~~UP~~ ANY NUMBER OF POOL TABLES OR POOLETTES, AND UP TO 10 OTHER amusement devices, WHICH MAY INCLUDE NO MORE THAN 5 SIMULATED SLOT MACHINES, when used in combination with one of the following:

(A) Billiard or pool room.

(B) Bowling alley.

(C) Bus, train, or boat terminal.

(D) Hotel or motel.

(E) Marina.

(F) Miniature golf.

(G) Race track.

(H) Restaurant with alcoholic beverage license.

(I) Skating rink.

(J) Social, fraternal, or veteran’s club.

(K) Swimming pool.

(L) Tavern.

(M) Tennis or racquet club: Indoor.

(N) ANY BUSINESS THAT OFFERS THE MARYLAND STATE LOTTERY GAME KNOWN AS “KENO”.

(ii) [No more than 5] ~~UP~~ ANY NUMBER OF POOL TABLES OR POOLETTES, AND UP TO 10 OTHER amusement devices, WHICH MAY INCLUDE NO MORE THAN 5 SIMULATED SLOT MACHINES, when used in combination with other uses that the Board finds, after a public hearing, to be entertainment, leisure, or recreation oriented.

**Council Bill 09-0290**

1 (iii) [Amusement] UP TO 2 AMUSEMENT devices when used in combination with  
2 uses that are not entertainment, leisure, or recreation oriented[, subject to:

3 (A) the required location permit having been obtained under Article 15 of  
4 the City Code; and

5 (B) the following limits based on the floor area of the location’s interior  
6 space devoted to the principal use:

7 1. no more than 1 device if the net floor area is 600 square feet or  
8 less; and

9 2. no more than 2 devices if the net floor area exceeds 600 square  
10 feet].

11 **§ 6-307. Accessory uses {B-2}.**

12 In a B-2 District, accessory uses and structures are the same as those in a B-1 District, except  
13 that the gross floor area limitations of a B-1 District do not apply in a B-2 District.

14 **§ 6-407. Accessory uses {B-3}.**

15 In a B-3 District, accessory uses and structures are the same as those in a B-2 District.

16 **§ 6-507. Accessory uses {B-4}.**

17 In a B-4 District, accessory uses and structures are the same as those in a B-1 District, except  
18 that the gross floor area limitations of a B-1 District do not apply in a B-4 District.

19 **§ 6-607. Accessory uses {B-5}.**

20 In a B-5 District, accessory uses and structures are the same as those in a B-1 District, except  
21 that the gross floor area limitations of a B-1 District do not apply in a B-5 District.

22 **§ 7-209. Accessory uses {M-1}.**

23 In an M-1 District, accessory uses and structures include, but are not limited to, the  
24 following, subject to compliance with the performance standards set forth in Title 12  
25 {“Performance Standards”} of this article:

26 (1) Amusement devices, as follows:

27 (i) [No more than 5] ~~UP~~ ANY NUMBER OF POOL TABLES OR POOLETTES, AND UP  
28 TO 10 OTHER amusement devices, WHICH MAY INCLUDE NO MORE THAN 5  
29 SIMULATED SLOT MACHINES, when used in combination with one of the  
30 following:

31 (A) Billiard or pool room.

32 (B) Bowling alley.

**Council Bill 09-0290**

- 1 (C) Bus, train, or boat terminal.
- 2 (D) Hotel or motel.
- 3 (E) Indoor tennis or racquet club.
- 4 (F) Marina.
- 5 (G) Miniature golf.
- 6 (H) Race track.
- 7 (I) Restaurant with alcoholic beverage license.
- 8 (J) Skating rink.
- 9 (K) Social, fraternal or veteran club.
- 10 (L) Swimming pool.
- 11 (M) Tavern.
- 12 (N) ANY BUSINESS THAT OFFERS THE MARYLAND STATE LOTTERY GAME
- 13 KNOWN AS "KENO".
  
- 14 (ii) [No more than 5] ~~UP~~ ANY NUMBER OF POOL TABLES OR POOLETTES, AND UP
- 15 TO 10 OTHER amusement devices, WHICH MAY INCLUDE NO MORE THAN 5
- 16 SIMULATED SLOT MACHINES, when used in combination with other uses that
- 17 the Board finds, after a public hearing, to be entertainment, leisure, or
- 18 recreation oriented.
  
- 19 (iii) [Amusement] UP TO 2 AMUSEMENT devices when used in combination with
- 20 uses that are not entertainment, leisure, or recreation oriented[, subject to:
  
- 21 (A) an amusement device location permit having been obtained under
- 22 Article 15 of the City Code; and
  
- 23 (B) the following limits based on the net floor area of the location's
- 24 interior space devoted to the principal use:
  
- 25 1. no more than 1 device if the net floor area is 600 square feet or
- 26 less; and
  
- 27 2. no more than 2 devices if the net floor area exceeds 600 square
- 28 feet].

**Council Bill 09-0290**

1 **§ 7-310. Accessory uses {M-2}.**

2 In an M-2 District, accessory uses and structures are the same as those in an M-1 District,  
3 except that they need not comply with the performance standards in Title 12 {"Performance  
4 Standards"} of this article.

5 **§ 7-409. Accessory uses {M-3}.**

6 In an M-3 District, accessory uses and structures are the same as those in an M-1 District,  
7 except that they need not comply with the performance standards in Title 12 {"Performance  
8 Standards"} of this article.

9 **Baltimore City Code**

10 **Article 15. Licensing and Regulation**

11 **Subtitle 2. Amusements**

12 *Part 3. Amusement Devices*

13 **§ 2-11. Definitions.**

14 (b) *Amusement device.*

15 (1) *In general.*

16 "Amusement device" means any electronic or mechanical device that is designed to  
17 provide amusement or entertainment and for which a fee is charged to operate or use.

18 (2) *Illustrations.*

19 "Amusement device" includes any of the following for which a fee is charged to  
20 operate or use:

- 21 (i) video or electronic game;
- 22 (ii) computer console or Internet connection;
- 23 (iii) pinball or console machine;
- 24 (iv) bowling or shuffleboard machine;
- 25 (v) pool table or poolette;
- 26 (vi) target machine;
- 27 (vii) baseball machine;
- 28 (viii) riding device;

Council Bill 09-0290

(ix) claw machine, digger, or rotary merchandiser;

(x) jukebox or other music player;

(xi) player piano;

(xii) peep show device; or

(xiii) similar device.

(3) *Exclusion.*

“Amusement device” does not include:

(i) a bona fide vending machine that does not incorporate an amusement or entertainment feature; OR

(ii) A VIDEO LOTTERY TERMINAL LICENSED BY THE STATE UNDER STATE GOVERNMENT ARTICLE, TITLE 9, SUBTITLE 1A.

(F) *SIMULATED SLOT MACHINE.*

“SIMULATED SLOT MACHINE” MEANS ANY AMUSEMENT DEVICE EQUIPPED WITH A KNOCK-OFF ~~SWITCH OR KNOCK-OFF BUTTON~~ DEVICE THAT ENABLES AN OWNER OR CUSTODIAN OF THE DEVICE TO REMOVE FREE PLAYS OR OTHER GAME CREDITS ACCUMULATED BY A WINNING PLAYER.

**§ 2-12. ~~License~~ LICENSES required.**

(a) ~~*In general*~~ DEVICE LICENSE.

(1) No person may permit any amusement device on his, her, or its premises to be used by the public unless the person first obtains from the Director a license for that device.

(2) FOR A SIMULATED SLOT MACHINE, IF THE DEVICE HAS BEEN REGISTERED BY THE OWNER UNDER § 2-13 OF THIS SUBTITLE, THE DEVICE IS EXEMPT FROM THE LICENSE FEE PROVIDED FOR IN § 2-15(A) OF THIS SUBTITLE.

(B) MASTER’S LICENSE.

NO PERSON MAY OWN, CONTROL, OR POSSESS MORE THAN 5 SIMULATED SLOT MACHINES UNLESS THAT PERSON FIRST OBTAINS FROM THE DIRECTOR A MASTER’S LICENSE.

(C) ~~(b)~~ Application.

(1) The application for a license must be in the form that the Director requires.

(2) In addition to any other information that the Director requires, the application must include:

**Council Bill 09-0290**

1           (i) the name, address, and telephone number of the applicant;

2           (ii) a description of the device OR DEVICES;

3           (iii) the location of the device OR DEVICES; and

4           (iv) the name, address, and telephone number of the owner of the device OR  
5           DEVICES.

6           (D) ~~(c)~~ Transfers.

7           A [license] DEVICE may be transferred to another licensee or to another location on:

8           (1) approval from the Director; and

9           (2) payment of the required transfer fee.

10       **§ 2-13. Registration required.**

11       (a) *In general.*

12           ~~(1)~~ The owner of any amusement device that is located in the City must register that  
13           device with the Director.

14           ~~(2) If the device is maintained on the owner's premises and licensed by the owner under~~  
15           ~~§ 2-12 of this subtitle, the device is exempt from the registration fee provided for in~~  
16           ~~§ 2-15(b) of this subtitle.~~

17       **§ 2-15. Fees AND TAXES.**

18       (a) *License fee FEES.*

19           (1) The annual fee for an amusement device license is AS FOLLOWS:

20           ~~(1) FOR A SIMULATED SLOT MACHINE, \$3,000 PER DEVICE; AND~~

21           ~~(2) FOR ANY OTHER AMUSEMENT DEVICE, \$180 per device.~~

22           (2) THE ANNUAL FEE FOR A MASTER'S LICENSE IS \$5,000.

23           (3) ~~(2)~~ The fee for a transfer of a licensed device is \$10.

24       (b) *Registration fee TAX.*

25           The annual ~~fee~~ TAX for an amusement device registration is:

26           (1) FOR SIMULATED SLOT MACHINES:

27           (1) FOR EACH OF THE FIRST 5 DEVICES – \$2,250 PER DEVICE.



**Council Bill 09-0290**

- 1                   (II) FOR EACH ADDITIONAL DEVICE UP TO THE 20<sup>TH</sup> – \$1,750 PER DEVICE.
- 2                   (III) FOR EACH DEVICE IN ADDITION TO 20 – \$1,250 PER DEVICE.
- 3                   (2) FOR ALL OTHER TYPES OF AMUSEMENT DEVICES:
- 4                   (i) ~~(+)~~\$200; plus
- 5                   (ii) ~~(2)~~\$50 per device.
- 6                   (c) [Fee for] FOR less than full year.
- 7                   The annual fee OR TAX for less than a full initial year is prorated quarterly.
- 8                   (d) [Fees] PAYMENTS not refundable.
- 9                   No refunds, in whole or in part, may be made of any of the fees OR TAXES required by
- 10                   this Part 3.
- 11                   (E) QUARTERLY PAYMENTS.
- 12                   (1) PAYMENTS REQUIRED BY THIS SUBTITLE MAY BE MADE IN EQUAL QUARTERLY
- 13                   INSTALLMENTS IF:
- 14
- 15                   (i) AN ADDITIONAL SERVICE CHARGE IS PAID WITH EACH QUARTERLY
- 16                   PAYMENT;
- 17                   (ii) ALL PAYMENTS REQUIRED BY THIS SUBTITLE FOR THE PREVIOUS YEAR HAVE
- 18                   BEEN MADE; AND
- 19                   (iii) BY JANUARY 1<sup>ST</sup> OF THE YEAR IN WHICH QUARTERLY PAYMENTS ARE TO
- 20                   BE MADE THE PERSON RESPONSIBLE FOR THE PAYMENTS MAKES A WRITTEN
- 21                   ELECTION, IN THE FORM REQUIRED BY THE DIRECTOR, TO MAKE \_\_\_\_\_
- 22                   QUARTERLY PAYMENTS.
- 23                   (2) ANY PERSON ELECTING TO MAKE QUARTERLY PAYMENTS BEFORE JUNE 30<sup>TH</sup>, 2011,
- 24                   MUST PAY:
- 25                   (i) 50% OF THE TOTAL ANNUAL PAYMENTS DUE BY DECEMBER 31<sup>ST</sup>, 2011, AT THE
- 26                   TIME THAT THE FIRST QUARTERLY PAYMENT IS SCHEDULED; AND
- 27                   (ii) 50% OF THE TOTAL ANNUAL PAYMENTS DUE, AT THE TIME THAT THE SECOND
- 28                   QUARTERLY PAYMENT IS SCHEDULED;
- 29                   (iii) 0% OF THE TOTAL ANNUAL PAYMENTS DUE, AT THE TIME THAT THE THIRD
- 30                   QUARTERLY PAYMENT IS SCHEDULED; AND
- 31                   (iv) 0% OF THE TOTAL ANNUAL PAYMENTS DUE, AT THE TIME THAT THE FOURTH
- 32                   QUARTERLY PAYMENT IS SCHEDULED.

**Council Bill 09-0290**

1           (3) THE RULES AND REGULATIONS ADOPTED UNDER § 2-17 OF THIS SUBTITLE MUST  
2           ESTABLISH:

3                   (I) THE AMOUNT OF THE SERVICE CHARGE TO BE PAID WITH EACH QUARTERLY  
4                   INSTALLMENT; AND

5                   (II) A SCHEDULE INDICATING WHEN QUARTERLY PAYMENTS ARE DUE EACH YEAR.

6   **§ 2-17. Rules and regulations.**

7           (a) *Director [may] TO adopt.*

8                   The Director [may] SHALL adopt and enforce rules and regulations to carry out this Part  
9                   3.

10          (b) *Filing with Legislative Reference.*

11                   A copy of all rules and regulations must be filed with the Department of Legislative  
12                   Reference before they take effect.

13   **§ 2-17.1. BOUNTY FOR UNLICENSED, ETC., DEVICES.**

14          (A) *IN GENERAL.*

15                   THE RULES AND REGULATIONS ADOPTED UNDER § 2-17 OF THIS SUBTITLE SHALL  
16                   ESTABLISH, SUBJECT TO THE APPROPRIATION OF FUNDS AS APPROVED BY THE BOARD OF  
17                   ESTIMATES, A BOUNTY PROGRAM TO REWARD PERSONS WHO REPORT DEVICES BEING  
18                   OPERATED WITHOUT THE LICENSE OR REGISTRATION REQUIRED BY THIS PART.

19          (B) *SOURCE OF REWARD.*

20                   THE REWARD FOR A REPORT SHALL BE A SET PERCENTAGE, AS SPECIFIED IN THE RULES  
21                   AND REGULATIONS BUT NOT TO EXCEED 50%, OF ALL FINES AND PENALTIES THAT THE  
22                   CITY COLLECTS AS A RESULT OF THE REPORT.

23   **§ 2-18. Operating without license.**

24          (c) *Redeeming confiscated device.*

25                   (1) If an amusement device is confiscated by the Director under this section, the owner  
26                   may redeem the device on payment of:

27                           (i) a recovery charge, as established by the Board of Estimates from time to time;  
28                           and

29                           (ii) all outstanding registration and licensing TAXES, fees, interest, and penalties.

30          (d) *Reinstating disabled device.*

31                   (1) If an amusement device is rendered inoperable by the Director under this section, the  
32                   owner may have the device reinstated on payment of:

**Council Bill 09-0290**

1           (i) a reinstatement charge, as established by the Board of Estimates from time to  
2           time; and

3           (ii) all outstanding registration and licensing TAXES, fees, interest, and penalties.

4   **§ 2-19. Penalties.**

5       (a) *In general.*

6           Any person who violates any provision of this Part 3 or of a rule or regulation adopted  
7           under this Part 3 is guilty of a misdemeanor and, on conviction, is subject to a fine of not  
8           more than \$1,000 for each offense.

9       (b) *Each day a separate offense.*

10          Each day that a violation continues is a separate offense.

11                           **Subtitle 46. Administration and Enforcement**

12   **§ 46-2. Interest and penalties for unpaid fees OR TAXES.**

13       (a) *Imposition.*

14           (1) Except as where otherwise provided in this article, any person, firm, corporation, or  
15           other legal entity who, WITHIN 30 DAYS FROM WHEN IT BECOMES DUE AND PAYABLE,  
16           fails to pay any license or permit fee OR ANY REGISTRATION TAX imposed by any  
17           provision of this article [within 30 days from the time it becomes due and payable]:

18                   (i) [shall be] IS liable for interest on the amount of [such] unpaid [license or  
19                   permit] fee OR TAX at the rate of 1% per month or any fraction [thereof] OF A  
20                   MONTH during [the period of time such license or permit] WHICH THE fee OR  
21                   TAX remains unpaid; and

22                   (ii) [shall] IS also [be] liable for a penalty of 10% of [such] THE unpaid [license or  
23                   permit] fee OR TAX.

24           (2) [Said] THIS interest and penalty shall be collected as a part of the [license or permit]  
25           fee OR TAX itself.

26       (b) *Waivers.*

27           [The] FOR GOOD AND SUFFICIENT CAUSE SHOWN, THE Director of Finance [is hereby  
28           authorized for good and sufficient cause to] MAY waive interest and penalty in connection  
29           with the payment of any fee OR TAX imposed by any provision of this article.

**Council Bill 09-0290**

**Article 28. Taxes**

**Subtitle 19. Admissions and Amusement Tax**

**§ 19-1. Tax on admissions.**

(a) *In general.*

Except as otherwise provided in this section, there is levied and imposed a tax at the rate of 10% of the gross receipts derived from any admissions and amusement charge as defined in State Tax-General Article § 4-101(b).

**§ 19-5. EXEMPTIONS – SIMULATED SLOT MACHINES.**

(A) *“SIMULATED SLOT MACHINE” DEFINED.*

IN THIS SECTION, “SIMULATED SLOT MACHINE” HAS THE MEANING STATED IN CITY CODE ARTICLE 15 {“LICENSING AND REGULATION”}, § 2-11 {“DEFINITIONS”}.

(B) *EXEMPTION GRANTED.*

THE TAX IMPOSED BY THIS SUBTITLE DOES NOT APPLY TO THE GROSS RECEIPTS FROM A SIMULATED SLOT MACHINE THAT IS LICENSED AND REGISTERED AS REQUIRED BY CITY CODE ARTICLE 15 {“LICENSING AND REGULATION”}, SUBTITLE 2 {“AMUSEMENTS”}, PART 3 {“AMUSEMENT DEVICES”}.

SECTION 2. AND BE IT FURTHER ORDAINED, That the exemption from the amusement tax for simulated slot machines is based on the finding that there are significantly more simulated slot machines in Baltimore City than other types of amusement devices. Regulation of these machines is necessary to ensure that no more than allowed are on any given premises and that they are not converted to illegal use. It is difficult to determine what taxes are owed on these machines, so it represents sounder fiscal policy to regulate through a licensing scheme. A licensing scheme provides for fees to cover the regulation of the machines. The existence of the machines can be more readily determined than the revenue from those machines upon which the amusement tax is based. In addition, it is the simulated slot machines that pose the danger of being altered so as to become illegal slot machines used for gambling. These devices therefore pose a greater danger of leading to illegal activity than other amusement devices.

**SECTION 2 3. AND BE IT FURTHER ORDAINED,** That the catchlines contained in this Ordinance are not law and may not be considered to have been enacted as a part of this or any prior Ordinance.

**SECTION 3 4. AND BE IT FURTHER ORDAINED,** That this Ordinance takes effect on January 1, 2011, or, if later, on the 60<sup>th</sup> day after notice is given to the State Comptroller of the changes enacted by this Ordinance to City Code Article 28, Subtitle 19.

**Council Bill 09-0290**

Certified as duly passed this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
President, Baltimore City Council

Certified as duly delivered to Her Honor, the Mayor,  
this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Chief Clerk

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Mayor, Baltimore City