



February 4, 2020

The Honorable Guy Guzzone, Chair
Budget and Taxation Committee
3 West, Miller Office Building
Annapolis, MD 21401

Re: Support for Senate Bill 397 - *Sales and Use Tax and Personal Property Tax - Exemptions - Data Centers*

Dear Senator Guzzone and Members of the Budget and Taxation Committee:

The Washington County Department of Business Development has reviewed and fully support ***Senate Bill 397*** being heard during the 2020 legislative session to provide an exemption from the sales and use tax for data centers.

The proposed bill encourages data centers to locate in the State of Maryland. Not only is this industry environmentally friendly, but it provides high paying jobs for our communities. ***Senate Bill 397*** gives Maryland a competitive place in the market for data center attraction.

The State of Virginia passed similar legislation ten years ago and has seen an incredible increase in data center development, partially due to the *Sales and Use Tax* exemption offered by the State. In Virginia the data center sector provides up to \$9.50 in tax revenue or every dollar in expenditures. Increased state and county tax revenues and additional jobs are realized from the businesses that follow data center locations.

Your consideration is greatly appreciated and welcomed as we all welcome an opportunity to attract and market Maryland as a business-friendly State!

Sincerely,

A handwritten signature in black ink that reads "Jonathan Horowitz".

Jonathan Horowitz, Business Leader

cc: Susan Small, Director