



Department of Economic Development
Garrett County Government

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February 4, 2020

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

Re: **SUPPORT** 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:

We have reviewed and fully support Senate Bill 397 being heard in 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. This industry is both environmentally friendly and provides high paying jobs. This bill 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 centers, 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.

Thank you for your consideration.

Sincerely,

Michael E. Hough
Director

