



2331 Rock Spring Road
Forest Hill, MD 21050
443.966.3855
info@bomabaltimore.org

February 16, 2026

The Honorable Guy Guzzone
Chairman, Senate Budget & Taxation Committee
3 West Miller Senate Office Bldg.
Annapolis, Maryland 21401

RE: Senate Bill 427 - *Authority of Counties to Establish a Subclass and Set a Special Rate for Personal Property of Data Centers* UNFAVORABLE

Dear Chairman Guzzone and Members of the Committee,

I am writing in my capacity as the Legislative Chairman of the Building Owners and Managers Association of Greater Baltimore (BOMA) to respectfully request an unfavorable report on Senate Bill 427.

BOMA represents owners and managers of all types of commercial property, comprising well over 100 million square feet of office space in Baltimore and Central Maryland.

Senate Bill 427 continues a trend under which local governments have sought to create numerous subclasses of property for valuation and assessment purposes. This bill applies to personal property of data centers. It is worth noting that legislation in 2020 created the sales and use tax exemption for the sale of personal property for use at a qualified data center. The public policy thus created clearly promoted this new type of business – the data center – as part of an economic growth policy of the State. Senate Bill 427, by contrast, sends a different message: that the State intends to tax personal property in data centers separately, and quite likely, at a higher rate than current law permits.

In evaluating legislative initiatives, BOMA must also assess the impact on economic development that a particular bill may have. BOMA believes that the provisions of Senate Bill 427 send the wrong message to this new category of real estate – the data center. It may serve to discourage data center businesses that are considering locating in Maryland. For these reasons, we respectfully request an unfavorable report on Senate Bill 427.

Very truly yours,

A handwritten signature in black ink, appearing to read "Tim O'Donald", written in a cursive style.

Tim O'Donald
Chair, BOMA Legislative Committee

cc: Bryson F. Popham, P.A.