



Maryland Farm Bureau

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March 31, 2026

To: Senate Budget and Taxation Committee

From: Maryland Farm Bureau, Inc.

RE: **Support of HB1554 Sales and Use Tax - Electricity for Agriculture Purposes - Study and Report**

On behalf of the over 7,000 member families of the Maryland Farm Bureau, we write to express our support for HB1554 Sales and Use Tax - Electricity for Agriculture Purposes - Study and Report. This bill adds to the existing agricultural sales and use tax exemption electricity that is used for agricultural purposes, such as raising livestock and poultry, irrigation, or crop production and grain harvest.

Currently, only farms that all their electricity use is tied to the house meter is tax exempt. Electricity use from other farm meters is currently being taxed. This bill exempts these additional farm meters. In addition to residential electricity not being taxed, manufacturing businesses are not taxed. This includes Perdue's processing plant.

Agriculture has always been considered manufacturing, so exempting all farm electricity would be consistent with current law.

MDFB Policy: We support exempting electric use on farms from the sales and use tax.

MARYLAND FARM BUREAU SUPPORTS HB1554 & REQUESTS A FAVORABLE REPORT

A handwritten signature in black ink, appearing to read 'Tyler Hough', with a horizontal line above it.

Tyler Hough

Director of Government Relations

Please reach out to Tyler Hough, though@marylandfb.org, with any questions