

HB0560\_RichardKaplowitz\_FAV  
02/12/2026

Richard Keith Kaplowitz  
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**TESTIMONY ON HB#/0560- POSITION: FAVORABLE**

**Sales and Use Tax and Property Tax - Exemptions for Data Centers – Repeal**

**TO:** Chair Wilkins, Vice Chair Feldmark, and members of the Ways and Means Committee

**FROM:** Richard Keith Kaplowitz

My name is Richard Keith Kaplowitz. I am a resident of District 3, Frederick County. I am submitting this testimony in support of HB#/0560, **Sales and Use Tax and Property Tax - Exemptions for Data Centers – Repeal**

As reported by Maryland Matters: <sup>1</sup>

Maryland decided it wanted to encourage data centers to locate in Maryland. This decision on sales and use and property taxes was made before lawmakers approved bills to study the cost of climate change and the impact of data centers, and establish a new energy planning office for the state, just some of the slew of veto overrides handed to the governor Tuesday [December 16, 2025]. During the veto override Sen. Charles Sydnor (D-Baltimore County) said “The experts are adamant that across the country, and here in Maryland, we are currently rushing to approve data center projects through a poorly planned, chaotic process that lacks a foolproof and regulatory framework to protect our communities from harm”

This bill will slow the development of data centers by controlling costs to the developers being increased while Maryland is doing the impact study. This goal will be met by repealing an exemption from the sales and use tax for certain sales of certain personal property for use at certain qualified data centers under certain circumstances; and repealing the authorization for a governing body of a county or municipal corporation to reduce or eliminate the assessment of certain personal property used in certain qualified data centers.

Maryland and its local jurisdictions should not be giving data centers a free ride on revenues it can collect. Other commercial properties do not receive similar benefits. This bill will slow the process of chasing after the acquisition of data centers in Maryland without full consideration of all the financial and other impacts.

**I respectfully urge this committee to return a favorable report on HB#/0560.**

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<sup>1</sup> <https://marylandmatters.org/2025/12/16/general-assembly-climate-veto-overrides/>