



**House Bill 560 -- *Sales and Use Tax and Property Tax - Exemptions for Data Centers - Repeal***  
**House Ways and Means Committee**  
**February 12, 2026**  
**Oppose**

The Montgomery County Chamber of Commerce (MCCC), the voice of business in Metro Maryland, opposes House Bill 560 -- *Sales and Use Tax and Property Tax - Exemptions for Data Centers – Repeal*.

House Bill 560 repeals sales and use tax exemptions used for the attraction of data center development in Maryland.

It is important, both economically and fiscally, that Maryland remains an attractive location for data center development. Data centers generate substantial, stable tax revenue, and their significant capital investments strengthen local property tax bases, increase personal property tax collections, and support income tax revenues from jobs created during both construction and ongoing operations. These revenues help fund schools, public safety, and critical community infrastructure, all while placing far fewer demands on local services than most other commercial or residential development.

Beyond the direct tax benefits, eliminating incentives for new data center projects would place Maryland at a competitive disadvantage at a time when innovation and digital capability are driving economic growth. Data centers form the digital backbone of high-growth industries such as cybersecurity, life sciences, artificial intelligence, and advanced computing. Restricting their development sends a signal to these sectors that the State is not committed to supporting the infrastructure required for their success. Meanwhile, other states are actively competing for these projects, and imposing a moratorium would discourage future technology investment and undermine long-term economic opportunity.

**For these reasons, the Montgomery County Chamber of Commerce opposes House Bill 560 and respectfully requests an unfavorable report.**

*The Montgomery County Chamber of Commerce (MCCC), on behalf of its members, champions the growth of business opportunities, strategic infrastructure investments, and a strong workforce to position Metro Maryland as a premier regional, national, and global business location. Established in 1959, MCCC is an independent, non-profit membership organization.*

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