

SENATE BILL 193

Q4
SB 698/25 – B&T

(PRE-FILED)

6lr1538

By: Senator Corderman

Requested: October 31, 2025

Introduced and read first time: January 14, 2026

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 Washington County – Sales and Use Tax Exemption – Target Redevelopment
3 Area

4 FOR the purpose of providing an exemption from the sales and use tax for certain
5 construction material or warehousing equipment used on certain property in
6 Washington County; and generally relating to sales and use tax exemptions.

7 BY adding to

Article – Tax – General

Section 11–247

10 Annotated Code of Maryland

11 (2022 Replacement Volume and 2025 Supplement)

12 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,
13 That the Laws of Maryland read as follows:

Article – Tax – General

15 11-247.

16 (A) (1) IN THIS SECTION THE FOLLOWING WORDS HAVE THE MEANINGS
17 INDICATED.

18 **(2) (I)** “CONSTRUCTION MATERIAL” MEANS AN ITEM OF TANGIBLE
19 PERSONAL PROPERTY THAT IS USED TO CONSTRUCT OR RENOVATE A BUILDING, A
20 STRUCTURE, OR AN IMPROVEMENT ON LAND AND THAT TYPICALLY LOSES ITS
21 SEPARATE IDENTITY AS PERSONAL PROPERTY ONCE INCORPORATED INTO THE
22 REAL PROPERTY.

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 (ii) "CONSTRUCTION MATERIAL" INCLUDES BUILDING
2 MATERIALS, BUILDING SYSTEMS EQUIPMENT, LANDSCAPING MATERIALS, AND
3 SUPPLIES.

4 (3) "TARGET REDEVELOPMENT AREA" MEANS REAL PROPERTY IN
5 WASHINGTON COUNTY THAT:

6 (i) IS COMMONLY KNOWN AS THE MOUNT AETNA TECHNOLOGY
7 PARK AND ACCESSIBLE FROM ROBINWOOD DRIVE, MOUNT AETNA ROAD, AND
8 YALE DRIVE; AND

9 (ii) IS LOCATED IN AN OFFICE, RESEARCH, AND INDUSTRY
10 ZONING DISTRICT.

11 (4) "WAREHOUSING EQUIPMENT" MEANS EQUIPMENT USED FOR
12 MATERIAL HANDLING AND STORAGE, INCLUDING RACKING SYSTEMS, CONVEYING
13 SYSTEMS, AND COMPUTER SYSTEMS AND EQUIPMENT.

14 (b) THE SALES AND USE TAX DOES NOT APPLY TO A SALE OF CONSTRUCTION
15 MATERIAL OR WAREHOUSING EQUIPMENT IF:

16 (1) THE MATERIAL OR EQUIPMENT IS PURCHASED BY A PERSON
17 SOLELY FOR USE IN A TARGET REDEVELOPMENT AREA; AND

18 (2) THE BUYER PROVIDES THE VENDOR WITH EVIDENCE OF
19 ELIGIBILITY FOR THE EXEMPTION ISSUED BY THE COMPTROLLER.

20 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July
21 1, 2026. It shall remain effective for a period of 10 years and, at the end of June 30, 2036,
22 this Act, with no further action required by the General Assembly, shall be abrogated and
23 of no further force and effect.