



Peter Franchot
Comptroller

TESTIMONY OF COMPTROLLER PETER FRANCHOT

Support - Senate Bill 800 - Sales and Use Tax - Electricity for Agricultural Purposes - Exemption

Budget and Tax Committee

March 9, 2022

Chair Guzzone, Vice Chair Rosapepe and members of the Committee, it is my pleasure to provide testimony in **support** of **Senate Bill 800 - Sales and Use Tax - Electricity for Agricultural Purposes - Exemption**. I would like to thank Chairman Guzzone for sponsoring this important legislation, and the Committee for providing the opportunity for my testimony to be heard.

Farmers have faced numerous challenges during the pandemic including increasing production costs and significant shifts in demand. SB 800 would provide the agricultural industry with a sales and use tax exemption similar to that enjoyed by residential customers and the manufacturing industry that would help struggling farmers offset some of their rising operating costs.

Exempting sales tax on energy use by agriculture is a needed shot in the arm for our state's largest commercial industry, and the Comptroller's Office finds no issue with administering this exemption. For the reasons stated above, I respectfully request a favorable report for Senate Bill 800. Thank you for your time and consideration.

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