



MARYLAND
HORSE
COUNCIL

P.O. Box 606 | Lisbon, Maryland 21797
www.mdhorsecouncil.org

One Common Bond: The Horse
One Common Voice: The Horse Council

In the Senate Budget and Taxation Committee, March 9, 2022

Testimony of the Maryland Horse Council on SB 800

Sales and Use Tax - Electricity for Agricultural Purposes - Exemption - SUPPORT

The Maryland Horse Council (MHC) is a membership-based trade association that represents the state-wide horse industry in Maryland. Our members include horse farms; horse related businesses; equestrian competitors; trainers; individual enthusiasts; equine-assisted therapy programs; and breed, interest, and discipline associations. We represent over 30,000 Marylanders who make their living with horses, or who just own and love them.

MHC supports SB 800, which 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.

Farms where there are separate meters for the house and for other buildings such as barns, equipment and/or hay storage sheds etc., currently pay sales and use tax on the electricity consumed through the non-residential meter. Where the entire farm is on a meter that serves the residence, however, there is no sales and use tax. This is an arbitrary and inequitable situation that in many cases arose from random decisions made at the time of the farm's creation or expansion.

The passage of SB 800 will rectify this arbitrary inequity by exempting from the sales and use tax electricity that is used for agricultural purposes, regardless of how it is metered.

We urge a favorable report for SB 800.

Respectfully submitted,

THE MARYLAND HORSE COUNCIL

(844) MDHORSE (844-634-6773), info@mdhorsecouncil.org