



(410) 222-1748  
Hearing Speech Impaired 711

**QUALIFIED DATA CENTER –  
REDUCTION IN PERSONAL PROPERTY  
ASSESSMENT APPLICATION  
FY 2025**

To be completed by applicant(s)

Please type or print using ink only

**IMPORTANT! This application must be received on or before April 15, 2024 to be considered for the taxable year beginning July 1, 2024 and ending June 30, 2025. Please read County Code § 4-3-104 and State Statute Tax-General Article 11-239 and Tax-Property Article 7-248.**

**FAILURE TO INCLUDE REQUIRED DOCUMENTATION MAY RESULT IN DENIAL OF APPLICATION.**

Name of Qualified Data Center: \_\_\_\_\_

Personal Property Tax Account Number: \_\_\_\_\_

Name of Authorized Representative: \_\_\_\_\_

Primary Telephone # \_\_\_\_\_ Secondary Telephone # \_\_\_\_\_

Email Address: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Physical Location of Qualified Data Center

Street Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip Code: \_\_\_\_\_

Parcel ID# (District/Subdivision/Account Number): \_\_\_\_\_

**If multiple locations in Anne Arundel County, please attach a separate list.**

Investment in Qualified Data Center Real Property \$ \_\_\_\_\_

Investment in Qualified Data Center Personal Property \$ \_\_\_\_\_

Total Investment in Qualified Data Center \$ \_\_\_\_\_

Number of Qualified Positions Created \_\_\_\_\_

**REQUIRED DOCUMENTATION**

- \_\_\_\_\_ **Copy of 2024 Form 1 Annual Report that was filed with the State Department of Assessments and Taxation**
- \_\_\_\_\_ **Listing of Qualified Data Center Personal Property including acquisition date, acquisition cost and physical location**
- \_\_\_\_\_ **Listing of Filled Qualified Positions including Position Title, Pay Rate, Date Created, Date Filled, Job Location**
- \_\_\_\_\_ **Documentation of Investment in the Qualified Data Center**
- \_\_\_\_\_ **Copy of Application that was filed for the Sales and Use Tax Exemption under State Statute Tax-General Article 11-239**
- \_\_\_\_\_ **Copy of documentation authorizing applicant to sign this application on behalf of the Qualified Data Center**

I, the authorized representative, hereby certify that I have read County Code § 4-3-104 and State Statute Tax General Article 11-239, that I am authorized to file this application on behalf of the Qualified Data Center and that the Qualified Data Center meets all eligibility requirements for this reduction in Personal Property Assessment.

I understand that an application must be filed and approved each year in order to qualify for the assessment reduction. I understand that this application must be filed no later than April 15 immediately before the taxable year for which the reduction in assessment is sought. I further understand that if the application is filed after April 15, the application shall be treated as an application for a reduction in assessment for the next succeeding taxable year.

I understand that the reduction of assessment terminates upon the earlier of the following: the required investment is no longer met, the required number of qualified positions is no longer met or the Qualified Data Center is no longer doing business in Anne Arundel County.

I understand that the Qualified Data Center must provide all information requested by the Anne Arundel Economic Development Corporation each year for reporting required by subsection 4-3-104 (g) of the County Code.

I declare under penalties of perjury provided for by the Tax – Property Article of the Annotated Code of Maryland, § 1-201, that all information above is true, correct, and complete to the best of my knowledge and belief. I give Anne Arundel County Government and Anne Arundel Economic Development Corporation permission to take whatever action is necessary to verify the information and documentation provided with this application.

Authorized Representative \_\_\_\_\_

Signature	Date
_____	_____
Printed Name	Title

Return this application to:  
Anne Arundel County, Office of Finance  
Attn: Tax Credits  
44 Calvert Street, Room 110  
Annapolis, MD 21401

For Additional Information, contact :  
Anne Arundel County Office of Finance (410) 222-1748 [taxcredits@aacounty.org](mailto:taxcredits@aacounty.org)  
Anne Arundel Economic Development Corporation (410) 222-7410 [info@aaedc.org](mailto:info@aaedc.org)

**§ 4-3-104. Reduction in assessment – Qualified data center.**

(a) **Definitions.**

(1) In this section, “qualified data center”, “qualified data center personal property”, and “qualified position” have the meanings stated in § 11-239 of the Tax-General Article of the State Code.

(2) “Qualified data center” includes centers in multiple locations in Anne Arundel County owned and operated by the same person or entity.

(b) **Creation.** Pursuant to § 7-248 of the Tax-Property Article of the State Code, assessments of qualified data center personal property used in a qualified data center subject to County property tax may be reduced as set forth in subsection (c).

(c) **Eligibility; duration; amount of reduction in assessment.** Qualified data center personal property used in a qualified data center with at least \$10 million of total investment in the qualified data center and that created a total of at least 10 qualified positions may qualify for a 15-year reduction in assessment for purposes of County personal property taxes as follows:

(1) a 100% reduction in assessment for the first five taxable years; and

(2) a 50% reduction in assessment for years 6 through 15.

(d) **Application or renewal.**

(1) The Office of Finance and the Anne Arundel County Economic Development Corporation shall develop an application form and establish procedures to administer the personal property tax assessment reduction under this section. At a minimum, the application form shall require:

(i) the qualified data center to provide a copy of the personal property tax return filed with the State Department of Assessments and Taxation; and

(ii) certification from the qualified data center as to the amount of the investment and the number of qualified positions.

(2) An application for, or renewal of, the reduction in assessment shall be filed no later than April 15 immediately before the taxable year for which the reduction in assessment is sought. If the application or renewal is filed after April 15, the reduction in assessment shall be disallowed for the tax year being applied for but shall be treated as an application or renewal for reduction in assessment for the following taxable year.

(3) The submitted application shall be reviewed and approved or rejected by the Office of Finance and the Anne Arundel County Economic Development Corporation.

(e) **Term.**

(1) The term of the reduction in assessment begins in the tax year for which the application is first approved.

(2) The term of the reduction in assessment does not restart with additional investment in qualified data center personal property or the addition of qualified positions.

(f) **Termination.** The reduction of assessment terminates upon the earlier of the following:

(1) the required investment is no longer met;

(2) the required number of qualified positions is no longer met; or

(3) the qualified data center is no longer doing business in the County.

**(g) Annual Report.**

(1) By September 1 of each year, the Anne Arundel Economic Development Corporation shall report to the County Executive and the County Council on the implementation of the personal property assessment reduction under this section.

(2) The report shall include, for each qualified data center receiving a reduction in assessment during the previous fiscal year:

(i) the name of the recipient;

(ii) the number of qualified positions created and currently occupied as a result of the activity that qualified the recipient for the reduction in assessment; and

(iii) the amount of the reduction of the County's personal property tax resulting from the reduction of assessment.

(Bill No. 13-22)

**§ 11-239. Qualified data center personal property — Sales and use tax exemption — Application — Certificates of eligibility.**

**(a)**

**(1)** In this section the following words have the meanings indicated.

**(2)** "Data center" means a building or group of buildings used to house computer systems, computer storage equipment, and associated infrastructure that businesses or other organizations use to organize, process, store, and disseminate large amounts of data.

**(3)** "Department" means the Department of Commerce.

**(4)** "Opportunity zone" means an area that has been designated as a qualified opportunity zone in the State under § 1400Z-1 of the Internal Revenue Code.

**(5)**

**(i)** "Qualified data center" means a data center located in the State in which an individual or a corporation, within 3 years after submitting an application for the sales and use tax exemption under this section, has:

1. for a data center located within a Tier I area, invested at least \$2,000,000 in qualified data center personal property and created at least five qualified positions; or
2. for a data center located in any other area of the State, invested at least \$5,000,000 in qualified data center personal property and created at least five qualified positions.

**(ii)** "Qualified data center" includes:

1. a data center that is a co-located or hosting data center where equipment, space, and bandwidth are available to lease to multiple customers; and
2. an enterprise data center owned and operated by the company it supports.

**(6)**

**(i)** "Qualified data center personal property" means personal property purchased or leased to establish or operate a data center.

**(ii)** "Qualified data center personal property" includes:

1. computer equipment or enabling software used for the processing, storage, retrieval, or communication of data, including servers, routers, connections, and other enabling hardware used in the operation of that equipment;

2. heating, ventilation, and air-conditioning and mechanical systems, including chillers, cooling towers, air-handling units, pumps, energy storage or energy efficiency technology, and other capital equipment used in the operation of that equipment; and
3. equipment necessary for the generation, transformation, transmission, distribution, or management of electricity, including exterior substations, generators, transformers, unit substations, uninterruptible power supply systems, batteries, power distribution units, remote power panels, and any other capital equipment necessary for these purposes.

**(7)**

**(i)** “Qualified position” means a position that:

1. is a full-time position of indefinite duration;
2. pays at least 150% of the State minimum wage;
3. is newly created because a data center begins or expands in a single location in the State; and
4. is filled.

**(ii)** “Qualified position” does not include a position:

1. created if an employment function is shifted from an existing data center in the State to another data center of related ownership if the position is not a net new job in the State;
2. created through a change in ownership of a trade or business;
3. created through a consolidation, merger, or restructuring of a business entity if the position is not a net new job in the State;
4. created if an employment function is contractually shifted from an existing business entity in the State to another business entity if the position is not a net new job in the State; or
5. filled for a period of less than 12 months.

**(8)** “Tier I area” means:

- (i)** a Tier I county as defined in § 1-101 of the Economic Development Article; or
- (ii)** an opportunity zone.

**(b)** The sales and use tax does not apply to the sale of qualified data center personal property for use at a qualified data center if the buyer provides the vendor with evidence of eligibility for the exemption issued by the Comptroller.

**(c)**

**(1)** To qualify for the sales and use tax exemption under subsection (b) of this section, an individual or a corporation shall file an application for an exemption certificate with the Department.

**(2)** The application must:

**(i)** demonstrate that the applicant intends to meet the requirements of a qualified data center;

and

**(ii)** include any information the Department requires to evidence the capacity and intention of the applicant to fulfill the commitments set forth in the applicant’s application.

**(3)** If, based on the information and supporting documentation provided in the application, the Department determines the applicant is eligible for the sales and use tax exemption under subsection (b) of this section, the Department shall certify the eligibility of the applicant.

**(d)**

**(1)** Each year, the Department shall provide the Comptroller with a list of individuals and corporations that the Department determines are eligible for the sales and use tax exemption under subsection (b) of this section.

**(2)** Within 30 days after receiving the list described in paragraph (1) of this subsection, the Comptroller shall issue to each individual and corporation listed a certificate of eligibility for the sales and use tax exemption under subsection (b) of this section.

**(3)**

**(i)** The certificate of eligibility issued under paragraph (2) of this subsection:

1. must be renewed each year; and
2. except as provided in subparagraph (ii) of this paragraph, may not be renewed for more than 10 consecutive years.

**(ii)** If the individual or corporation invests at least \$250,000,000 in qualified data center personal property, the certificate of eligibility may be renewed for up to 20 consecutive years.

**(e)** For at least 3 years after the termination of a certificate issued under subsection (d) of this section, each individual or corporation that receives the certificate shall:

**(1)** maintain a record of:

- (i)** the amount of sales and use tax that was not paid as a result of the certificate;
- (ii)** the number of qualified positions created; and
- (iii)** the investment in qualified data center personal property; and

**(2)** allow the Department to inspect the records described in item (1) of this subsection.

**(f)**

**(1)** The Department may revoke a certificate of eligibility under subsection (d) of this section if any representation made in connection with the application for the certificate is determined by the Department to have been false when made or if the applicant has failed to fulfill the applicant's commitments under the application.

**(2)** The revocation may be in full or in part as the Department may determine.

**(3)** The individual or corporation shall have an opportunity to appeal any revocation to the Department before notification of the Comptroller.

**(4)** The Comptroller may make an assessment against the individual or corporation to recapture any amount of sales and use tax that the individual or corporation has not paid as a result of an exemption under subsection (b) of this section.