



**Peter Franchot**  
*Comptroller*

**Wayne P. Green, CPA**  
*Director*

*Revenue Administration Division*

July 29, 2021

MRP Industrial  
509 S. Exeter Street, Suite 216  
Baltimore, Maryland 21202

Re: Sales Tax Exemption for Construction and Warehouse Equipment

Dear Applicant:

During the 2021 Legislative Session, the Maryland General Assembly passed Senate Bill 294 which enacted §11-242 of the Tax-General Article, Annotated Code of Maryland (TG). This statute permits an exemption from sales and use tax on certain construction material and/or warehousing equipment. The material or equipment must be purchased solely for use in a specified federal facilities redevelopment area in Cecil County. "Federal facilities redevelopment area" means any real property in Cecil County that was previously owned by the federal government, was transferred from the federal government to the State or to an entity established under the Economic Development Article, and is entirely under the environmental oversight and management of the State Hazardous Substance Response Plan or the Voluntary Cleanup Program under the Environment Article.

The statute requires the buyer to provide the vendor with an exemption certificate issued by the Comptroller. The Comptroller will issue an exemption certificate to the entity based upon its eligibility for the exemption and approval of a written request. The request should be on the requesting entity's letterhead and must be signed by an authorized officer. The request must also include the legal name of the entity, Federal Employer Identification Number (FEIN), physical business address, and mailing address.

In order to be eligible for the exemption certificate, the applying entity must own the property or the entity must obtain written confirmation from the owner, on owner's letterhead, that it is qualified to make purchases of construction materials and/or warehouse equipment subject to the exemption under TG §11-242. The written confirmation must be attached to the entity's written request for an exemption.

The request should be emailed to [ECDEVCERT@marylandtaxes.gov](mailto:ECDEVCERT@marylandtaxes.gov) or mailed to:

Comptroller of Maryland  
PO Box 1829 – Legal Section  
Attn: Bainbridge Sales Tax Exemption  
Annapolis, MD 21404-1829

Should you have any questions or concerns, please do not hesitate to contact our office.

Regards,

Legal Section/ama