

Collateral inheritance tax is upon value of property not at time of testator's death, but at the time it is transferred to beneficiary. *Interest. Fisher v. State, 106 Md. 117.*

Where administrator of a non-resident collects a mortgage debt due to latter at time of his death such money is subject to tax imposed by this section. The rule that personal property follows domicile of owner always gives way to valid statutory provisions fixing *situs* of such property for taxation. If the tax has been voluntarily paid through an error of law it may not be recovered back although it is still in hands of register of wills; latter in a suit by state could not defend on ground that tax had been unlawfully collected. *Helser v. State, 128 Md. 230.*

A resident's real estate located in a foreign jurisdiction is not subject to a collateral inheritance tax in Maryland, nor are proceeds of such real estate where it is sold under a will, taxable. Cases reviewed. *State v. Fushing, 134 Md. 350.* And see *Safe Deposit Co. v. State, 143 Md. 648.*

Where a person makes a deed of trust of certain property under which she is paid income for life and whereby she reserves a power of revocation and of testamentary disposition, and in pursuance of latter power she wills the property to collaterals, such property is subject to tax imposed by this section. Long and unbroken construction of a statute by officers charged with its administration. *Smith v. State, 134 Md. 478.*

Where a testator died prior to adoption of act of 1908, sec. 120, leaving property to his wife for life and then to certain remaindermen, wife having died in 1916, tax on property passing to the remaindermen is computed at rate in effect prior to act of 1908. *State v. Safe Dep Co., 132 Md. 254.*

The collateral inheritance tax applies to income of estate accruing during the period of administration. Intention of act of 1908, ch. 695, was to change collateral inheritance tax law generally relative to rate of tax. *Safe Dep. Co. v. State, 143 Md. 645.*

A charge of a collateral inheritance tax against life interest of testator's widow, held to be at variance with this section. *Hagerstown Trust Co. v. Ex. of Mealey, 119 Md. 230.*

Washington County Hospital and Library held not to be exempt from the tax imposed by this section. *Washington Hospital v. Mealey, 121 Md. 275.*

Property over which a power of appointment may be exercised by will of donee of power is not liable for collateral inheritance tax as if it were property of donee. *Prince de Bearn v. Winans, 111 Md. 472.*

If executor pays over money to a legatee without deducting tax required by this section, the state may sue such legatee for money "had and received." The act of 1880, ch. 444, held valid and applicable. *Montague v. State, 54 Md. 483; Fisher v. State, 106 Md. 120.*

Where a will probated in Indiana bequeaths certain stock of a bank in Baltimore city to executor to pay sum mentioned in a certain contract, and before appointment of administrator in Maryland, bank pays value of a portion of the stock to the foreign executor, no collateral inheritance tax thereon is payable in Maryland. *Citizens' Bank v. Sharp, 53 Md. 531. Cf. State v. Dalrymple, 70 Md. 302.*

This and the following sections held to apply to a bequest of freedom to a slave. *State v. Dorsey, 6 Gill, 389.*

See sec. 138 and notes to sec. 137.

An. Code, sec. 121. 1904, sec. 118. 1888, sec. 103. 1844, ch. 237, sec. 2. 1864, ch. 200. 1874, ch. 483, sec. 114. 1908, ch. 695.

125. Every executor or administrator, to whom administration may be granted, before he pays any legacy, or distributes the shares of any estate liable to the tax imposed by the preceding section, shall pay to the register of wills of the proper county or city, five ¹ per centum of every hundred dollars he may hold for distribution among the distributees or legatees, and at that rate for any less sum, for the use of the State; this

¹ Although act of 1908, ch. 695, repealing and re-enacting sec. 124 so as to increase collateral inheritance tax from two and one-half to five per cent., makes no reference to sec. 125, it seems necessarily to amend the latter section, and hence is so codified.