

In view of the wide-spread demand for the benefits under the measure which I have signed, making possible the extensive operations of the cooperative associations, I think it would be unfortunate to have any legal conflicts arise through the enactment of a conflicting statute as pointed out by the State Law Department. I am so anxious to afford the means of electrification to people in the rural districts that I do not want to run the risk of having legal difficulties proposed which may entail delay and possible defeat of our efforts to benefit such a great number of our citizens.

Under the circumstances, I will veto this measure.

TAXES.

Chapter 495 (Senate Bill 238). The avowed purpose of this Bill is to make possible the allowance of a credit, under the State Income Tax Law, for taxes paid to a foreign country.

The State Comptroller's Office, in opposing the signing of the Bill, has filed a lengthy, detailed statement in which the contention is made that this Act would grant exemptions in income tax returns which the Comptroller's Office feel would not be logical.

The State officials say that it would be improper to allow credits for the payment of an income tax to a foreign country when the State Law does not permit the credit for the payment of income taxes to the United States Government.

In the memorandum filed as its objection, the Comptroller's Office points out that the Federal Income Tax and income taxes imposed by most foreign governments are graduated and the rate of tax in various brackets is greater than the flat rate prevailing under the Maryland law. The effect of these factors, the memorandum shows, would be that certain individuals will pay no tax to this State, if the credit as now proposed is allowed. Other reasons are advanced in the memorandum which I consider are persuasive and, in view of the effect of this measure, I feel compelled to veto it.

Chapter 588 (Senate Bill 494). In his opinion to me, after a study of this measure, the Attorney General states as follows:

"Chapter 588 (Senate Bill 494) relates to interest and penalty on State and local property taxes assessed by the State Tax Commission. Under the present law all such taxes bear interest from August 1, or 30 days from the mailing of notice. The Act makes State taxes bear interest from August 1 in every case, but gives 60 days grace for local taxes, and refers the interest and penalty to local law for the collection