

## CHAPTER 128

(House Bill 32)

AN ACT to repeal and re-enact, with amendments, Section 230(e) of Article 81 of the Annotated Code of Maryland (1947 Supplement), title "Revenue and Taxes", sub-title "Income Tax", providing that certain foreign mutual building and loan associations shall be exempt from the income tax.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 230(e) of Article 81 of the Annotated Code of Maryland (1947 Supplement), title "Revenue and Taxes", sub-title "Income Tax", be and it is hereby repealed and re-enacted, with amendments, to read as follows:

230.

(e) The following shall not be liable for the tax imposed by this section:

- (1) National and State banks and trust companies;
- (2) Mutual saving institutions;
- (3) Federal and domestic mutual building and loan associations and foreign mutual building and loan associations admitted to do business in this State;
- (4) Insurance companies as defined in Section 101 of this Article;
- (5) Religious, educational, charitable, social, fraternal and other similar corporations not organized or conducted for profit, no part of the net earnings of which inure to the benefit of any private shareholder or individual but not including corporations organized for the exclusive purpose of holding title to property and collecting income therefrom unless the entire amount of such income less related expenses is turned over to a corporation or organization which itself is exempt from the tax imposed by this sub-title; and
- (6) Farmers' or other mutual hail, cyclone or fire insurance companies or associations, the income of which is used or held for the purpose of paying losses or expenses.

SEC. 2. *And be it further enacted*, That this Act shall take effect June 1, 1949.

Approved March 31, 1949.