PUBLIC GENERAL LAWS OF MARYLAND

PUBLIC GENERAL LAWS

CHAPTER No. 75

A BILL ENTITLED

AN ACT to repeal and re-enact, with Amendments, Section 219 of Article 56 of Bagby's Annotated Code of Maryland (1929 Supplement), title "Licenses," sub-title "Motor Vehicles," sub-head "Gasoline Tax."

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 219 of Article 56 of Bagby's Annotated Code of Maryland (1929 Supplement), title "Licenses," sub-title "Motor Vehicles," sub-head "Gasoline Tax," be and the same is hereby repealed and re-enacted with Amendments to read as follows:

219. Any person, firm or corporation who shall buy or use any motor vehicle fuel as defined in this sub-title for the purpose of operating or propelling stationary gas engines, tractors used for agricultural purposes, motor boats, air planes or air craft, or who shall purchase or use any of such fuel for cleaning or dyeing or other commercial use of the same, except in motor vehicles operated or intended to be operated in whole or in part upon any of the public highways of the State of Maryland, on which motor fuel the tax imposed by this sub-title shall have been paid, shall be refunded and repaid the amount of such tax paid by him upon presenting to the Comptroller a statement accompanied by the original invoices showing such purchase, which statement shall set forth the total amount of such fuel so purchased and used by such consumer, other than in motor vehicles operated or intended to be operated upon any of the public highways of the State of Maryland, and said Comptroller upon the presentation of such statement and such vouchers, shall cause to be repaid to such consumer from the taxes collected on motor vehicle fuels the said taxes paid on fuels purchased or used other than for motor vehicles as aforesaid; provided, that applications for refunds as provided herein must be filed with the Comptroller within ninety (90) days from the date of purchase or invoice.

SEC. 2. *And be it further enacted*, That this Act is hereby declared to be an emergency law and necessary for the immediate preservation of the public health and safety, and having been passed by a yea and nay vote, supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Approved March 25, 1935.

CHAPTER No. 188

A BILL ENTITLED

AN ACT to add a new sub-title and seventeen new sections to Article 56 of the Annotated Code of Maryland, 1929 Supplement, title "Licenses," said new sub-title to be known as "Emergency Gross Receipts Tax," and said new sections to be known as Sections 72-A, 72-B, 72-C, 72-D, 72-E, 72-F, 72-G, 72-H, 72-I, 72-J, 72-K, 72-L, 72-M, 72-N, 72-O, 72-P and 72-Q, to follow immediately after Section 72 of said Article, providing for the levy and collection of a tax for the privilege of engaging in the business of selling tangible personal property at retail at the rate of 1% of the gross receipts from such sales; providing for the appropriation of the receipts from said tax to the purposes of unemployment relief and old age pensions; providing the method and manner of collecting said tax; and imposing penalties for violations of the provisions of this Act.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That a new sub-title and seventeen new sections be and the same are hereby added to Article 56 of the Annotated Code of Maryland, 1929 Supplement, title "Licenses," said new sub-title to read "Emergency Gross Receipts Tax" and said new sections to be known as 72-A, 72-B, 72-C, 72-D, 72-E, 72-F, 72-G, 72-H, 72-I, 72-J, 72-K, 72-L, 72-M, 72-N, 72-O, 72-P, and 72-Q, to follow immediately after Section 72 of said Article and to read as follows:

EMERGENCY GROSS RECEIPTS TAX

72-A. DEFINITIONS. The following words, terms and phrases when used in this Act shall have the meaning ascribed to them by this Section, except where the context clearly indicates a different meaning:

(a) "Person" means any individual, firm, partnership, association, corporation, trustee, receiver, fiduciary or any other group or combination acting as a unit, and the plural as well as the singular number.

(b) The word "business" includes all activities or acts engaged in or caused to be engaged in by any person with the object of gain, profit, benefit or advantage, either direct or indirect, through the sale of goods, wares, merchandise or other tangible personal property to the ultimate consumer, user, customer or patron.

(c) The word "sale" means any transfer of the ownership or title of tangible personal property to the consumer for use and not for purpose of resale for a monetary consideration. Transactions whereby title to property is ultimately to pass and whether such transactions are called leases, sales or by any other name, and whether the possession is delivered to the purchaser or is retained by the vendor, shall be deemed "sales."

(d) The word "vendor" means any person who engages in the business of selling at retail tangible personal property subject to the tax imposed by this Act, whether such person is a manufacturer, producer, wholesaler, jobber or retailer.

(e) The word "price" means the price to the ultimate consumer or user without any deductions on account of the cost of the property sold, the cost of materials used, losses or any other expense whatsoever. In the case of sales in which the consideration is paid or to be paid partly in money and partly in other tangible personal property, the price shall be only that part paid and to be paid in money.

(f) The word "Comptroller" means the Comptroller of the State of Maryland.

(g) The word "consumer" means the purchaser at final sale or the user of any tangible personal property subject to the tax imposed by this Act.

(h) The words "tangible personal property" shall not include gas, (artificial or natural) electricity, water or steam.

72-B. For the privilege of engaging in the business of selling tangible personal property at retail, there is hereby imposed upon every person engaging in such business a license fee or tax, in addition to all ness a license fee or tax, in addition to all other fees or taxes imposed by law, at the rate of one per centum of the gross receipts of any such person, on or after April 1st, 1935, to and including March 31st, 1936, from the sale of all tangible personal property at retail in this State.

72-C. On or before the tenth day of May, 1935, and on the tenth day of each calendar month thereafter, every vendor who has made any sales at retail subject to the tax hereby imposed during the preceding calendar month, shall make a return to the Comptroller, stating the name of the vendor, his, her or its address, and the amount of the total selling price of all tangible personal property so sold, and shall pay the Comptroller the amount of the tax herein imposed. Such return shall be made on forms prescribed and furnished by the Comptroller and shall contain such other information as the Comptroller may reasonably require. The said returns need not be under oath or affimation, but any false statement contained in said returns shall be subject to the penalties hereinafter provided.

72-D. The Comptroller, for good cause shown, may extend the time for filing any return required under this Act, on application of the taxpayer, but such extension of time shall not exceed thirty days. When the time for filing any return is so extended, interest at the rate of 6% per annum, from the time it was originally required to be filed, until the time of payment shall be added and paid.

72-E. (a) As soon as practicable after the return is filed, the Comptroller shall examine it and compute the tax. If the amount paid exceeds the amount which should have been paid, the excess shall be refunded by the Comptroller or credited on account of future taxes accruing from the same taxpayer or his successor or assigns.

(b) If the amount found to be due exceeds the amount paid, the deficiency, together with interest thereon, at the rate of one-half of one per cent per month or fraction of a month, from the time the tax was due, shall be paid within ten days after notice and demand by the Comptroller. If not so paid, a penalty of 5% shall be added.

(c) If any part of the deficiency is due to negligence on the part of the taxpayer, but without intent to defraud, there shall be added 5% thereof and interest at the rate of 1% per month or fraction of a month on the amount of such deficiency from the time the tax was due until paid.

(d) If any part of the deficiency is due to fraud with intent to evade the tax, there shall be added 100% of the total amount of the deficiency, and in addition, interest at the rate of 1% per month or fraction of a month from the date the tax was due until paid.

(e) All payments received shall be credited first to penalty and interest accrued and then to tax due.

72-F. It shall be the duty of every person engaging or continuing in any business on and preserve records of gross sales and such which a tax is imposed by this Act, to keep other records as may be necessary to determine the tax liability under the provisions of this Act, and it shall be the duty of every such person to keep and preserve for a period of two years all invoices and records of goods and merchandise purchased for re-sale, and all such books, invoices and other records shall be open for examination at any time by the Comptroller or his duly authorized agent.

72-G. If any taxpayer who has failed to file any return required by this Act, or has filed an incorrect or insufficient return, refuses or neglects to file a proper return within ten days after being notified by the Comptroller of his delinquency, the Comptroller shall determine the net sales of such taxpayer and compute the tax from the best information available and such determination and computation shall be prima facie correct for the purposes of this Act. Such tax so computed by the Comptroller, together with the accrued interest, shall be payable within ten days after demand by the Comptroller, and if not so paid there shall be added a penalty of 100% and interest at the rate of 1% per month or fraction of a month from the time the tax was originally due until paid.

72-H. The tax imposed by this Act shall be a lien upon the property of any person subject to the provision thereof and shall be a preferred claim in the event of bankruptcy or insolvency. Whenever the owner of any business subject to the terms of this Act shall sell, dispose of or transfer the goods, merchandise or property with the rights of the business to another, the seller shall within ten days after the date of sale and the discontinuation of the business, file with the Comptroller a return as provided in Section 72-C, the said seller and former proprietor shall also furnish the purchaser and successor in the business with a duplicate report of sales and tax under said Section 72-C, for three months next preceding the month in which the transfer of the business is made, together with receipts or other evidence of taxes paid during the same period. The seller of such business shall be liable for the payment of taxes due or accrued prior to the time of such transfer until he shall file with the Comptroller a written agreement that the new proprietor or purchaser has assumed the responsibility of the payment of all taxes due or accrued against the business prior to the time of purchase. The successor to such business, unless he shall sign an agreement to pay accrued taxes as indicated above is authorized and empowered to withhold from the purchase price of the goods, properties and other items acquired, a sum sufficient to cover all taxes due and payable under the operation of the business prior to the time of purchase, and delay final settlement until such time as the former owner shall produce a receipt from the Comptroller showing that all taxes have been paid or a certificate to the effect that no taxes are due and payable. In the event the purchaser or new proprietor of such business fails to exercise his right to withhold the sums necessary to pay the taxes due and payable at the time of transfer and the former owner fails to pay the taxes as required by law, the new owner shall be personally liable for the payment of taxes due or accrued as a consequence of the operations carried on by the former owner.

72-I. (a) Any taxpayer may apply to the Comptroller for a revision of the tax assessed against him at any time within sixty days from the date on which the assessment is made. Upon the receipt of such application the Comptroller shall grant a hearing thereon after reasonable notice to the taxpayer and if, upon such hearing the Comptroller shall determine that the tax is excessive or incorrect he shall adjust the computation of the tax accordingly to the law and facts. The Comptroller shall notify the taxpayer of his determination and shall refund to the taxpayer the amount, if any, paid in excess of the tax found by him to be due, and if it is found that any additional taxes are due by the taxpayer, such additional taxes, with interest thereon at the rate of ½ of one per cent per month shall be paid within ten days thereafter. If not so paid a penalty of 5% shall be added.

(b) The final determination of the Comptroller upon application made by a taxpayer for revision of any tax shall be subject to appeal to the Circuit Court of the County in which the taxpayer conducts his business or to the Baltimore City Court, if the taxpayer conducts his business in Baltimore City, within sixty days after notice by the Comptroller of his determination. Thereupon appropriate proceedings shall be had and the parties shall be bound by the final determination of the Court hearing the appeal.

72-J. Every tax imposed by this Act and all increases, interest and penalties thereon shall become, from the time due and payable, a personal debt from the person liable to pay the same to the State of Maryland, and action may be brought at any time by the Comptroller in the name of the State to recover the amount of any taxes, penalties and interest due under the provisions of this Act.

72-K. The Comptroller shall administer and enforce the tax imposed by this Act and may from time to time make such rules and regulations, not inconsistent with this Act, as he may deem necessary to properly enforce its provisions.

72-L. Except in accordance with proper judicial order, or as otherwise provided by law, it shall be unlawful for the Comptroller or any deputy, agent, auditor or other officer or employee to divulge or make known in any manner the amount of sales, the amount of tax paid or any other particulars set forth or disclosed in any return required by this Act. Nothing herein contained shall be construed to prohibit the publication of statistics so classified as to prevent the identity of particular reports or returns and the items thereof, or the inspection by the legal representatives of the State of the report or return of any taxpayer who shall apply from a review or appeal from any determination or against whom an action or proceeding is about to be instituted or has been instituted to recover any tax or penalty imposed by this Act. Reports and returns shall be preserved for two years and thereafter until the Comptroller orders them to be destroyed.

72-M. It shall be unlawful for any person to fail or refuse to make any return required by this Act, or to make any false or fraudulent return, or with an attempt to evade the tax or to refuse to pay the tax when due and payable, or to refuse to permit the examination of any book, account, record or other data, by the Comptroller or his duly authorized agent or representative. Any person violating any provision of this Section, shall be guilty of a misdemeanor and upon conviction thereof, in a Court of competent jurisdiction, shall be fined not more than five hundred dollars ($500.00) or imprisoned for a term not exceeding one year, or both, in the discretion of the Court for every such offense.

72-N. For the purpose of enforcing the provisions of this Act, the Comptroller or any duly authorized agent or representative designated by him, may conduct investigations and hold hearings concerning any matter covered by this Act, and such investigations and hearings may be conducted or held at any time or place within the State of Maryland subject to the limitations elsewhere provided by this Act. In the conduct of any investigation or hearing, the Comptroller, or his duly authorized agent or representative, shall have power to require by subpoena or summons the attendance and testimony of witnesses, and the production of any books, accounts, records, papers and correspondence relating to any matter concerning which the Comptroller is authorized by this Act to determine. The Comptroller or his duly authorized agent or representative may sign subpoenas, administer oaths and affirmations, examine witnesses and receive evidence. In case of disobedience to any subpoena or of the contumacy of any witness appearing before the Comptroller or his duly authorized agent or representative, the Comptroller may invoke the aid of the Circuit Court of any of the Counties or of the Baltimore City Court. Such court may thereupon issue an order requiring the person subpoened to obey the subpoena or to give evidence or produce books, accounts, records, papers and correspondence touching the matter in question. Any failure to obey such order of court may be punished by such Court as a contempt thereof.

72-O. No person shall be excused from testifying or producing any books, papers, records or data in any investigation or upon any hearing when ordered to do so by the Comptroller or his duly authorized agent or representative, upon the ground that the testimony or evidence, documentary or otherwise, may tend to incriminate him or subject him to criminal penalty, but no such testimony or evidence, documentary or otherwise, shall be used in any subsequent prosecution against the individual supplying the same. No individual so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

72-P. The Comptroller shall pay into a special account in the General Treasury to be known as the "State Emergency Relief Fund" all taxes collected and received by him under the provisions of this Act, and in addition thereto the Treasurer of the State shall pay into said fund an amount not to exceed three hundred fifty thousand dollars ($350,000.) from any surplus in the revenue derived from the State Inheritance Tax Law which surplus may remain after the creation of the Reserve Fund and the payment of interest and principal requirements of the Emergency Bond Issue of 1935 as enacted by Chapter 91, General Assembly of 1935. The sums so paid into said State Emergency Relief Fund shall be disbursed upon warrant of the Comptroller for the following purposes:

(a) To pay the salaries of such additional employees as the Comptroller shall find necessary to carry out the provisions of this Act and all other expenses made necessary thereby. The Comptroller with the approval of the Board of Public Works is hereby authorized to employ such assistants, deputies, auditors, investigators, clerks, stenographers and other employees as he deems necessary, at such compensation as he may determine, subject from time to time to the approval of the Board of Public Works. All such employees shall be subject to removal by the Comptroller at any time for any cause he may deem sufficient.

(b) After the payment of salaries and expenses as hereinabove provided, the Comptroller shall set aside such sum as may be necessary for the payment of refunds as hereinabove provided.

(c) After the payment of salaries and expenses, and setting aside a sum for refunds, as hereinabove provided, the sum of $3,500,000.00 shall be disbursed upon warrant of the Comptroller, subject to the approval of the Board of Public Works, and expended under the supervision of the Board of State Aid and Charities for the relief of distress within the State, arising out of involuntary unemployment, flood, epidemic or other emergency. Out of the balance in said fund, there shall be disbursed upon warrant of the Comptroller, such sum or sums as may be necessary, not in excess of $1,500,000, to pay or contribute to the payment of Old Age Pensions in accordance with the provisions of any Act of the General Assembly, requiring the payment, or contributing to the payment thereof. Any balance remaining in said fund shall not revert to the General Treasury, but shall remain in the "State Emergency Relief Fund" until appropriated by the General Assembly.

72-Q. If any section, paragraph, clause, sentence or part of this Act shall for any reason be adjudged to be invalid, such judgment shall not effect, impair or invalidate the remainder of this Act, but shall be confined in its operation to the section, paragraph, clause, sentence or part thereof directly involved in the controversy in which such judgments shall have been rendered. If any exemption granted by this Act shall be declared invalid, the article or articles sought to be exempted shall be subject to taxation as fully as if said exemption had not been contained in this Act.

SEC. 2. *And be it further enacted*, That this Act is hereby declared to be an Emergency Law and necessary for the immediate preservation of the public health and safety, and being passed upon a yea and nay vote, supported by three-fifths of the members elected to the two Houses of the General Assembly, the same shall take effect from the date of passage.

Approved April 1, 1935.

CHAPTER No. 358

A BILL ENTITLED

AN ACT to repeal and re-enact with amendments Sections 38 and 40 of Article 2B of the Code of Public General Laws of Maryland, title "Alcoholic Beverages," sub-titles "Taxation—Method of Payment" and "Taxation—Penalties for Evasions," respectively, as the same were enacted by Chapter 2 of the Acts of the General Assembly of Maryland at its extraordinary session held in November and December, 1933.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Sections 38 and 40 of Article 2B of the Code of Public General Laws of Maryland, title "Alcoholic Beverages," sub-titles "Taxation—Method of Payment" and "Taxation—Penalties for Evasions," respectively, as the same were enacted by Chapter 2 of the Acts of the General Assembly of Maryland at its extraordinary session held in November and December, 1933, be, and the same is hereby, repealed and re-enacted, with amendments, to read as follows:

38. TAXATION—METHOD OF PAYMENT. The Comptroller shall prescribe and furnish suitable certificates or stamps denoting the payment of the tax imposed by this Act, and shall, by said method or by assessment or otherwise, cause to be collected, the said tax on any fractional gallon contained in each package, before the removal of such packages from the place of business or warehouse of the manufacturer or wholesaler, or delivery to any retail dealer; and the Comptroller is empowered to prescribe such other methods, and/or devices for the assessment, evidencing of payment and/or collection of the said tax, in addition to or in lieu of the methods and devices hereinbefore set forth, whenever, in his judgment, such action is necessary to prevent fraud or evasions, and to prescribe such rules and regulations as he may deem necessary to make such methods and/or devices effective and to secure the payment of all such taxes.

40. TAXATION—PENALTIES FOR EVASIONS. Every manufacturer, wholesaler or other person who shall sell or deliver any alcoholic beverages, subject to the tax imposed by this Act, to any retail dealer, and every retail dealer and every employee of any such retail dealer who shall have in his possession, sell or offer for sale, or permit to be kept upon the premises, any alcoholic beverages subject to the tax imposed by this Act, upon which the tax has not been paid, and every person who shall counterfeit or forge any stamp or certificate required by this Act, or who shall participate in the evasion of the tax imposed by this Act, or who shall violate any provision of any rule or regulation prescribed by the Comptroller pursuant to the authorization contained in this Act, shall, upon conviction, be subject to a fine of not exceeding Ten Thousand Dollars ($10,000.00) or to imprisonment for not more than five years, or both fine and imprisonment in the discretion of the Court.

SEC. 2. *And be it further enacted*, That this Act is hereby declared to be an emergency law and necessary for the immediate preservation of the public health and safety and being passed upon a yea and nay vote, supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Approved May 17, 1935.

CHAPTER No. 393

A BILL ENTITLED

AN ACT to grant additional powers to the municipalities described in Chapter 30 of the Acts of the Extraordinary Session of 1933, to enable such municipalities to meet the requirements of further Acts of the Congress of the United States of America with respect to the construction of public works.

WHEREAS, under the provisions of Chapter 30 of the Extraordinary Session of the General Assembly of 1933, every municipality defined therein is authorized to contract debts, or to borrow money and to issue and sell its negotiable bonds therefor in order to provide funds for any public works project only in case such municipality shall have first entered into a contract for the grant of money from some federal agency, authorized for the purpose of providing money in connection with the construction of such public works.

AND WHEREAS, future Acts of the Congress of the United States of America may provide other means of assisting in the construction of public works than the direct grant of money to the municipalities of the State, and it may be desirable that the municipalities shall cooperate with various federal agencies in the construction of public works in the State without the receipt of any grant.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That any municipality as defined by Chapter 30 of the Acts of the Extraordinary Session of the General Assembly of 1933 shall have the power and is hereby authorized to contract debts or to borrow money and to issue and sell its negotiable bonds therefor in order to provide funds for any public works project, as defined in paragraph (e) of Section 1 of Chapter 30 of the Acts of the Extraordinary Session of the General Assembly of 1933 in conection with any Act of the Congress of the United States of America, which provides assistance in the construction of such public works whether such assistance consists of making a grant of money to said municipality, a loan thereto, or some other method of financing the construction of the public works contemplated.

SEC. 2. *And be it further enacted*, That this Act is hereby declared to be an emergency law and necessary for the immediate preservation of the public health and safety, and having been passed by a yea and nay vote supported by three-fifths of the members elected to each House in the General Assembly, the same shall take effect from the date of its passage.

Aproved May 17, 1935.

CHAPTER No. 396

A BILL ENTITLED

AN ACT to add two new sections to Article 78A of the Code of Public General Laws of Maryland, 1924 Edition, as enacted by Chapter 32 of the Acts of the Special Session of the General Assembly of 1933, title "Public Works—Board of," sub-title "Maryland Emergency Housing and Park Commission," said new sections to follow immediately after Section 19 of said Article, and to be known as Sections 20 and 21, extending the powers of the Maryland Emergency Housing and Park Commission; authorizing any municipality, county or local sub-division of the State to cooperate with the Commission, and the United States of America, by conveying, leasing or donating property, or rendering services, in connection therewith; authorizing municipalities to open, close or maintain streets or to plan or zone areas within their corporate limits; to authorize the Board of Public Works to allocate funds to said Commission for administrative purposes out of funds appropriated by the General Assembly, and to authorize any county or municipality to make donations or advances to said Commission in aid of public works as defined in this Article.

WHEREAS, unsanitary and unsafe dwelling accommodations exist in various areas of the State, and consequently many persons of low income are forced to reside in such dwelling accommodations; and

WHEREAS, these conditions cause an increase in and spread of disease and crime and constitute a menace to the health, safety, morals and welfare of the citizens of the State and impair economic values; and

WHEREAS, the clearance, replanning and reconstruction of the areas in which unsanitary or unsafe housing conditions exist and the providing of safe and sanitary dwelling accommodations for persons of low income are public uses and purposes for which private property may be acquired; and

WHEREAS, it is in the public interest that work on such projects be instituted as soon as possible in order to relieve unemployment which now constitutes an emergency.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That two new sections be and the same are hereby added to Article 78A of the Code of Public General Laws of Maryland, 1924 Edition, as enacted by Chapter 32 of the Acts of the Special Session of the General Assembly of 1933, title "Public Works—Board of," sub-title "Maryland Emergency Housing and Park Commission," said new sections to follow immediately after Section 19 of said Article, to be known as Sections 20 and 21, and to read as follows:

20. For the purpose of aiding and cooperating in the planning, construction and operation of public works as defined in this sub-title, located within their respective territorial boundaries, any municipality, county or local sub-division within this State may, upon such terms, as it may determine:

(a) grant, sell, convey, lease or donate any of its property to the State of Maryland, or to the Maryland Emergency Housing and Park Commission, or to any corporation formed by said Commission under the authority of Section 17E of this sub-title; and

(b) to the extent that it is within the scope of each of their respective functions, (1) cause the services customarily provided by each of them to be rendered for the benefit of the occupants of such public works, and (2) provide and maintain parks and sewage, water and other facilities adjacent to or in conection with such public works, and (3) enter into any agreement to open, close, pave, install, or change the grade of streets, alleys or sidewalks within the corporate limits of any municipality, and/or to plan, replan, zone or rezone any areas within the corporate limits of any municipality.

In connection with the exercise of this power, any municipality or county may incur the entire expense of any such public improvement located within its territorial boundaries without assessment against abutting property owners.

21. For the purpose of enabling the Maryland Emergency Housing and Park Comission, to administer the provisions of this sub-title, the Board of Public Works of Maryland is hereby authorized and empowered to allocate to said Commission from time to time, such sum or sums as said Board may deem necessary out of any funds made available for such purpose, or out of any contingent funds, appropriated under the provisions of Chapter 597 of the Acts of 1953, or under the provisions of any subsequent appropriation Act.

Any county or municipality within the territorial boundaries of which public works as defined in this sub-title are located or about to be located, shall have power annually and from time to time, to make donations or advances to said Commission in such sums as such county or municipality in its discretion may determine, such advances or appropriations to be made for the purpose of aiding or cooperating in the construction and operation of such public works.

SEC. 2. *And be it further enacted*, That should any section or part of a section of this Act be held to be invalid for any reason, such holding shall not be construed as affecting the validity of any remaining section or part of a section of this Act, it being the Legislative intent that the remainder of this Act shall stand, notwithstanding the invalidity of such section or part of a section.

SEC. 3. *And be it further enacted*, That this Act is hereby declared to be an emergency law and necessary for the immediate preservation of the public health and safety, and having been passed upon a yea and nay vote, supported by three-fifths of the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Approved May 17, 1935.

CHAPTER No. 397

A BILL ENTITLED

AN ACT to authorize and empower every county, city, incorporated town or other taxing district of this State to meet the current emergency created by accumulated tax delinquencies by the abatement of interest and penalties accrued on taxes levied for fiscal year 1933 or for any fiscal year prior thereto and/or to provide for the collection of any such delinquent taxes plus accrued interest and penalties in instalments over a period of five years.

WHEREAS, there is found to exist in this State an unprecedented financial emergency as a result of which tax delinquencies have occurred in large amounts causing considerable embarrassment and distress to many of the taxing units of this State; and

WHEREAS, in order to alleviate said financial embarrassment and distress, to induce the payment of such delinquent taxes, to provide needed revenue, to avoid tax sales and for other purposes.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That the governing body of every county, city, incorporated town or other taxing district of this State be and it is hereby authorized and empowered in its discretion to adopt appropriate resolutions or ordinances providing for the abatement of all interest, penalties and/or other charges against all persons delinquent in the payment of any taxes levied by any such county, city, incorporated town or other taxing district of this State, for the fiscal year expiring in the year 1934, and for the fiscal years prior thereto, upon the condition that any such person or persons so delinquent in the payment of taxes shall promptly pay up to the proper tax collecting office all such taxes unpaid.

SEC. 2. *And be it further enacted*, That any such governing body may, in its discretion provide in said resolution or ordinance or in a separate resolution or ordinance for the payment of such delinquent taxes plus all accrued interest and penalties, in instalments extending over a period of five years, in the following manner: Fifteen per cent of said delinquent taxes plus accrued interest and penalties to be paid in the first year after the passage of said resolution or ordinance; twenty-five per cent of the balance of said delinquent taxes plus accrued interest and penalties in the second year; thirty-five per cent of the balance of said delinquent taxes plus accrued interest and penalties in the third year, fifty per cent of the balance of said deliquent taxes plus accrued interest and penalties in the fourth year; and the balance of said delinquent taxes plus accrued interest and penalties remaining due, in the fifth year. Said resolution or ordinance may provide for the abatement of all interest and penalties which might accrue on said delinquent taxes by virtue of any general or local law or laws for the five year period during which said instalments shall be payable, provided, however, that no such resolution or ordinance for the payment of such delinquent taxes in instalments shall be deemed or taken to be a waiver of any other legal remedy which any such county, city, incorporated town or other taxing district might have against any such person delinquent in the payment of taxes.

SEC. 3. *And be it further enacted*, That the governing body of any such county, city, incorporated town or other taxing district may in its discretion provide in the resolutions or ordinances authorized to be passed by Sections 1 and 2 of this Act, that the persons delinquent in the payment of taxes referred to in said Sections shall have the right to elect whether they shall avail themselves of the relief provided for by Section 1 of this Act, or of the relief provided for by Section 2 of this Act.

SEC. 4. *And be it further enacted*, That in the event that the governing body of any county, city, incorporated town or other taxing district of this State, shall determine to avail itself of any of the powers granted by Sections 1 and 2 of this Act, then said governing body shall provide in the resolution or ordinance passed pursuant to this provisions of said Sections, that the relief therein granted to persons delinquent in the payment of taxes shall extend to all cases where the property against which said taxes were levied, shall have been purchased at tax sales by any such county, city, incorporated town, or other taxing district, provided, however, that any such governing body may provide that said relief shall not extend to cases where the period for redemptions of such property from such tax sales shall have expired according to law.

SEC. 4½. *And be it further enacted*, That nothing in this Act shall apply to the Mayor and City Council of Baltimore, and to the Board of County Commissioners of Howard County.

SEC. 5. *And be it further enacted*, That this Act is hereby declared to be an emergency law and necessary for the immediate preservation of the public health and safety, and having been passed by a yea and nay vote, suported by three-fifths of all the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Approved May 17, 1935.

CHAPTER No. 53

A BILL ENTITLED

AN ACT to repeal and re-enact with amendments Section 6 of Article 89B of the Annotated Code of Maryland (as said Article was enacted by Chapter 539 of the Acts of the General Assembly of Maryland, 1931), title "State Roads," relating to the construction of highways by the State Roads Commission.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 6 of Article 89B of the Annotated Code of Maryland (as said Article was enacted by Chapter 539 of the Acts of the General Assembly of Maryland of 1931), title "State Roads," be and it is hereby repealed and re-enacted with amendments to read as follows:

6. The said commission, when about to construct any highway, shall advertise for at lease two weeks in one or more newspapers published in each county in which the highway lies, and for three consecutive issues in at least one daily newspaper published in Baltimore City for sealed proposals for the construction of said highway, accurately describing the same and stating the time and place for opening said proposals, and reserving the right to reject any and all proposals; said proposals shall be publicly opened at the time specified in said advertisement, and the contract for such work or for the supplies and materials required for such construction (or for the supplies and materials required for such construction) shall be awarded by the commission to the lowest responsible bidder, unless in the opinion of said commission the interests of the State shall be better served by awarding the contract to some other bidder, when this may be done. All work which shall be done by the said commission, whether on state roads, county roads or municipal streets, the labor and materials of which are estimated to cost over one thousand dollars ($1,000.00), shall be advertised as aforesaid, except such labor and materials as may be required from time to time to maintain the various roads to the width and cross section, as previously or originally constructed. The construction and improvement of all State highways or parts thereof shall be under the supervision and subject to the aproval of the said commission, in accordance with plans and specifications prepared by the chief engineer and aproved by said commission. In all cases where the contract for work and materials shall be given out after competitive bidding, the successful bidder shall promptly execute a formal contract to be approved as to its form, terms and conditions by said commission, and shall also execute and deliver to said commission a good and sufficient bond to be aproved by said commission to the State of Maryland in not less than the amount of the contract price. In no case shall any such bond be approved or accepted unless the obligors bind themselves therein to the payment of all just debts for labor and materials incurred by the bidder in the construction and improvement of the road contracted for. To all such bids there shall be attached the certified check of the bidder, and the bidder, who has the contract awarded to him and who fails to pomptly and properly execute the contract and bond shall forfeit the said contract. The said check shall be taken and considered as liquidated damages, and not a penalty, for failure of said bidder to execute said contract and bond. Upon the execution of said contract and bond by a successful bidder his check shall be returned to him. The amount of the check to be attached to the bid shall be based on the aggregate amount of the bid submitted and covered by the following table:

Aggregate Amt. of Bid	Amt. of Check
Less than $30,000	$ 500
$30,000 to $50,000	1,000
50,000 to 75,000	1,500
75,000 to 125,000	2,000
125,000 to 175,000	2,500
175,000 to 225,000	3,000
225,000 to 275,000	3,500
275,000 to 325,000	4,000
325,000 to 375,000	5,000
375,000 to 425,000	6,000
425,000 to 475,000	7,000
475,000 or more	7,500

The checks of the unsuccessful bidders shall be returned to them after opening the bids and awarding the contract to the successful bidder. Provided, however, that the said Commission may itself do any part or parts of any such work under such conditions in every respect as it may prescribe by day labor in all cases wherein the funds provided for the carrying on or performance of such work are provided by the government of the United States of America, or any agency thereof, and the said government, or any agency thereof, shall require that such work be performed by day labor employed by said Commission. And provided further that nothing in this Act shall be construed to prohibit the use by the said Commission of free labor supplied by relief or charity agencies or organizations.

SEC. 2. *And be it further enacted*, That this Act having been passed upon a yea and nay vote, supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Aproved April 18, 1935.

CHAPTER No. 90

A BILL ENTITLED

AN ACT to amend the sub-title "Collateral Inheritance Tax," following after Section 104 of Article 81 of the Code of Public General Laws of Maryland, by omitting the word "Collateral" so that the sub-title, as amended shall read "Inheritance Tax"; to add a new section to said sub-title, following after Section 104, and the sub-title, as amended to be known as Section 104A; to repeal and re-enact, with amendments, Sections 105, 106, 116, 117, 118, 119, 120, 124, 126, 127, 128, 129 and 131, of said Article 81 to impose an inheritance tax of one per centum of each hundred dollars of the clear value of estates passing to or for the use of the father, mother, husband, wife, children or lineal descendants of the grantor, testator, donor, or intestate, and to increase the tax imposed upon estates passing to collaterals from five to seven and one-half per centum; to provide for the valuation of interests in estates and the assessment and collection of the tax against said interests; and to fix the commissions allowed to Clerks and Registers of Wills for the collection of said tax:

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That the sub-title "Collateral Inheritance Tax," following after Section 104 of Article 81 of the Code of Public General Laws of Maryland, be and it is hereby amended by omitting the word "Collateral," so that the sub-title, as amended, shall read "Inheritance Tax."

SEC. 2. *And be it further enacted*, That a new section be and the same is hereby added to Article 81 of the Code of Public General Laws of Maryland, to follow immediately after Section 104 and the sub-title as amended, to be known as Section 104A, and to read as follows:

104A. All estates, real, personal or mixed, money, public and private securities for money of every kind passing from any person who may die seized and possessed thereof, being in this State, either by will or under the intestate laws of this State, or any part of such estate or estates, money or securities, or interest therein, transferred by deed, grant, bargain, gift or sale, made or intended to take effect in possession after the death of the grantor, bargainor, devisor or donor, to or for the use of, in trust or otherwise, the father, mother, husband, wife, children or lineal descendants of the grantor, bargainor or testator, donor or intestate, shall be subject to a tax of one per centum of every hundred dollars of the clear value of such estate, money or securities, and all executors, administrators, trustees and other persons making distribution, shall only be discharged from liability for the amount of such tax, the payment of which they be charged with, by paying the same for the use of this State, as hereinafter directed; provided, that no estate which may be valued at a less sum than five hundred dollars shall be subject to the tax imposed by this section; provided, further, that nothing in this section shall apply to any such estate or estates, money or securities, or interest therein, transferred by deed, will, grant, bargain, gift or sale, made or intended to take effect in possession after the death of the grantor, bargainor, devisor or donor, or by escheat, passing to this State, or to any county or city of this State; and provided, further, that no tax shall be imposed which is forbidden by Section 130 of this Article.

SEC. 3. *And be it further enacted*, That Sections 105, 106, 116, 117, 118, 119, 120, 124, 126, 127, 128, 129 and 131 of Article 81 of the Code of Public General Laws of Maryland, title "Revenue and Taxes," sub-title "Collateral Inheritance Tax," be and the same are hereby repealed and re-enacted, with amendments, to read as follows:

105. All estates, real, personal and mixed, money, public and private securities for money of every kind passing from any person who may die seized and possessed thereof, being in this State, either by will or under the intestate laws of this State, or any part of such estate or estates, money or securities, or interest therein, transferred by deed, grant, bargain, gift or sale, made or intended to take effect in possession after the death of the grantor, bargainor, devisor or donor, to any person or persons, or bodies corporate, in trust or otherwise, other than to or for the use of the father, mother, husband, wife, children and lineal descendants of the grantor, bargainor or testator, donor or intestate shall be subject to a tax of seven and one-half per centum in every hundred dollars of the clear value of such estate, money or securities, and all executors, administrators, trustees and other persons making distribution, shall only be discharged from liability for the amount of such tax, the payment of which they be charged with, by paying the same for the use of this State, as hereinafter directed; provided, that no estate which may be valued at a less sum than five hundred dollars shall be subject to the tax imposed by this section; provided, further, that nothing in this section shall apply to any such estate or estates, money or securities, or interest therein, transferred by deed, will, grant, bargain, gift or sale, made or intended to take effect in possession after the death of the grantor, bargainor, devisor or donor, or by escheat, passing to this State, or to any county or city of this State; and provided, further, that no tax shall be imposed which is forbidden by Section 130 of this Article.

106. Every executor to whom administration may be granted, before he pays any legacy or distributive share of any estate liable to the tax imposed by this sub-title, shall pay to the Register of Wills of the proper county or city, one per centum of every hundred dollars he may hold for distribution among the distributees or legatees specified in Section 104A of this sub-title, and seven and one-half per centum of every hundred dollars he may hold for distribution among the distributees or legatees specified in Section 105 of this sub-title, except as hereinafter provided, and at that rate for any less sum, for the use of the State; provided that such tax shall not be paid or collected upon any increase in value of the estate or any income therein accrued subsequent to the date of the death of the decedent.

116. The executor shall collect the same from the parties liable to