

File No. 100270

January 7, 1959

Honorable James J. Welsh  
City Council  
City Hall  
Baltimore - 2, Maryland

Dear Mr. Welsh:

By a letter dated December 16, 1958, you requested an opinion of this office as to whether or not the Mayor and City Council of Baltimore has the authority to impose a tax on deposits of savings and loan associations without additional enabling legislation being enacted by the General Assembly of Maryland.

It is my understanding that you are not interested in the imposition of a tax on the individual depositors of funds but are interested in a tax that would be levied against the institution itself, probably in the form of a license or franchise tax.

Sub-section 33½ (a) of Section 6 of the Baltimore City Charter, as enacted by Chapter 27 of the Laws of Maryland of 1951, provides, in part, that the City shall -

"have and exercise, within the limits of Baltimore City, in addition to any and all taxing powers heretofore granted by the General Assembly of Maryland to the Mayor and City Council of Baltimore, the power to tax to the same extent as the State of Maryland has or could exercise said power within the limits of Baltimore City as a part of its general taxing power; and to provide by ordinance for the imposition, assessment, levy and collection of any tax or taxes authorized by this sub-section; and from time to time to grant exemptions and to modify or repeal existing or future exemptions."

Sub-section 33½ (b) of said Section 6, among other things, states that the City shall not have the power to impose any tax upon intangible personal property or upon a number of other things that are now the subject of State taxation. However, it is provided that the limitations in the law shall not apply to any tax levied or imposed upon the gross receipts of any person, association or corporation other than the gross receipts of corporations taxed under Section 95 of Article 81 of the Maryland Code (Section 130 of Article 81 of the 1957 Code), savings banks, insurance companies, safe deposit and trust companies and legal entities conducting race meetings.