

File No. 5726 Continued.

OPINION.

I concur in the conclusions reached by Mr. Lauckheimer.

Truly yours,

(Signed) W. Cabell Bruce,

City Solicitor.

File No. 5729.

CORRESPONDENCE.

DEPARTMENT OF REVIEW AND ASSESSMENT

SUB-DEPARTMENT

APPEAL TAX COURT

CITY HALL.

Baltimore, January 8th, 1907.

W. Cabell Bruce, Esq.,

City Solicitor,

Baltimore.

Dear Sir:-

Section 89 of Article 81 P. G. L. (Edition of 1904) provides:

4244 "Every savings bank, institution or corporation organized for receiving deposits of money and paying interest thereon, shall pay, annually, a franchise tax, to the amount of 1/4 of one per cent on the total amount of deposits held by such savings bank, institution or corporation."

Under this section it has been the practice of the saving banks to omit from their report to the State Tax Commissioner the amount of surplus funds held by such banks. We are not aware whether the Commissioner was cognizant of the fact that the amount certi-

fied to him did not embrace the total funds held by the savings banks. At all events the franchise tax paid did not embrace the surplus funds held by the various savings banks of Baltimore City.

Whatever doubt there may have been as to whether the language of section 89 embraced the surplus or not is apparently now removed by the construction put upon said section by the Court of Appeals in the very recent case of Maryland vs Baltimore. (Daily Record Dec. 27-28, 1906). In that case the Court says:

"From the nature of the business conducted by banks of that description, which do not ordinarily have any capital stock, the entire assets of the institution must be represented by the total amount of its deposits invested and uninvested." It is obvious, therefore, that the "total amount of deposits", in order to represent the entire assets,