

File No. 7356 Continued.

CORRESPONDENCE.

THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE
LAW DEPARTMENT
1206 CONTINENTAL TRUST BUILDING.

Baltimore, January 16, 1908.

To the Honorable,
The Judges of the Appeal Tax Court of Baltimore City,
Baltimore, Maryland.

Gentlemen:

I want to get up a case to settle the question whether the Income Bonds of this company are liable to assessment for taxation for 1908, and I write to ask whether you will not promptly refer the matter to the City Solicitor.

As I understand the law, these bonds are not assessable for 1908 unless interest is "actually paid" thereon. As a matter of fact, no interest will be paid, but those of the bondholders who are willing to deposit their coupons under the funding scheme, will receive an interest-bearing funding bond for the amount of the coupons deposited. This funding bond is an absolute obligation of the company, and of course, the interest thereon will be promptly paid. There are, therefore, two questions: (1) Whether any of the Income Bonds are assessable; (2) Whether the bonds which have not been deposited under the funding plan, can be assessed. Of the latter, however, there are not many.

Very respectfully,

(Signed) J. C. France,

General Counsel.

File No. 7356.

THE UNITED RAILWAYS AND ELECTRIC COMPANY OF BALTIMORE
LAW DEPARTMENT
1206 CONTINENTAL TRUST BUILDING.

Baltimore, January 21, 1908.

Albert C. Ritchie, Esq.,
Assistant City Solicitor.

Dear Ritchie:-

I send you herewith copy of the funding agree-