

November 14th, 1932

R. E. Lee Marshall, Esq.,
City Solicitor.

IN RE: FILE NO. 59925 - APPLICATION OF
WESTERN HIGH SCHOOL ALUMNI ASSO-
CIATION FOR EXEMPTION OF TAXES ON
MORTGAGE CERTIFICATES COVERING
REAL ESTATE OUTSIDE THE STATE OF
MARYLAND.

Dear Mr. Marshall:

The Western High School Alumni Association owns certain mortgage certificates on properties located outside of the State of Maryland, and has applied to the Appeal Tax Court for an exemption from taxation on these certificates, on the ground that the Association comes within the purview of Section 7, Sub-section 29, of Article 81 of the Maryland Code. It is admitted that the Association is not an incorporated body, and it is claimed that all of the money received from the particular investments is utilized for a scholarship each year for one girl to Goucher College.

Section 7, Sub-section 29 of Article 81 of the Maryland Code reads as follows:

"Intangible personal property held as part of the endowment of any incorporated hospital, asylum, or educational institution organized under the laws of this State no part of whose net earnings inures to the benefit of any private stockholder or member which are or shall be the gift of any non-resident of this State or of any foreign corporation to any such hospital, asylum, or educational institution of this State, to enable it to carry on or extend its charitable or benevolent objects, or to promote public education or the advancement of knowledge by scientific research, or which are or shall be investments or reinvestments of any property or funds so given."

It will be noted that the above section of the Code states that the particular intangible personal property must be "held as part of the endowment of any incorporated hospital, asylum, or educational institution organized under the laws of this State."

From the facts as recited above, it follows that the Western High School Alumni Association is not an incorporated educational institution, nor are the