

Mr. L. W. Schuerholz, Water Engineer
Bureau of Water Supply

(continued)

Under the circumstances, it is felt that since this allowance is received by the employees for living expenses, which is purely optional with the individual employee, such sums that are paid constitute "income" to such employees and are thus subject to deduction for withholding taxes by the Central Payroll Bureau.

Very truly yours,

/s/ HARRISON L. WINTER
 City Solicitor

/s/ JACK L. GROSSMAN
 Assistant City Solicitor

JLG:rg

File No. 104491

October 31, 1961

Mr. G. V. Walters, Highways Engineer
 Department of Public Works
 Municipal Building
 Baltimore 2, Maryland

Dear Mr. Walters:

In reply to your request for an opinion as to the liability of the City of Baltimore to pay the cost and expenses incurred by private utility companies in reconstructing or relocating private utility facilities due to the construction of new public highways in the City of Baltimore and, particularly, due to the construction of the Jones Falls Expressway, we would like to advise as follows:

The universally accepted common law rule is that a public utility maintaining its facilities under a franchise in a public street must relocate them at its own expense whenever required to do so by public necessity. This principle has been recognized by