

Mr. G. V. Walters, Highways Engineer

(continued)

attraction was necessary to draw the crowds to the Fair. The trial court ruled that the racing section was taxable. The Court held, the uses of the land and buildings where the horse racing is conducted and the land it used for the midway was reasonably necessary for the educational purposes of the Society and ordered that the "exhibit" section and the race track section were exempt from taxation. This case, although decided under the educational or charitable sections of the Exemption Statute, applies the following four elements as the test which property of the eligible institution must meet before it qualifies for the privilege of exemption from taxation.

1. The property must be that of the institution.
2. No part of the net income of the institution, if any, can inure to the benefit of any private shareholder or individual.
3. The property must actually be used by the institution.
4. The use of the property must reasonably be necessary for the work of the institution.

Finally, in regard to the word "appurtenant", the Court, in this case, repeated what it had said many times before in reference to exemptions under Section 9, that tax-exemption statutes are to be strictly construed, but a strict construction permits a fair one, so as to effectuate the legislative intent and objectives, and it does not require that an unusual or unreasonable meaning be given to the words used in an exemption statute. (State Tax Commission vs. Standard Oil Co. 181 Md. 637; State Tax Commission vs. Whitehall, 214 Md. 316).

Applying the above facts and the principles of law to the situation herein under discussion, it is our opinion that the word "appurtenant" as used in sub-paragraph (28) is intended to mean,