

constitutional or statutory provision which would provide immunity for firms engaged in interstate commerce. The imposition of a state or local income tax upon firms engaged in interstate commerce has been upheld many times as not in violation of the commerce clause of the United States Constitution, so long as the tax provides for a fair and reasonable allocation. Ordinance No. 848 so provides. See the cases collected at 51 Am. Jur. 272 - 273, Taxation, Section 211.

## II. Insurance Companies

Sections 135 through 143 of Article 81 of the Maryland Code (1965 Replacement Volume), imposes a tax upon the gross earnings (premiums) of insurance companies. Section 143 then grants an exemption from local taxation, as follows:

"No county or city of this State shall levy or impose any taxes upon any insurance company subject to taxation under this subtitle, except taxes on real estate, tangible personal property, and shares in national banks and domestic corporations the shares of which are subject to ordinary taxes under this article."

Section 143 therefore poses an absolute bar to any City tax, with the exceptions noted. There is no repeal, express or implied, of Section 143 in the enabling legislation which authorized the City's earnings tax (Chapter 2, 1966 Special Session of the General Assembly). Accordingly, insurance Companies are exempt from the earnings tax.

## III. Savings and Loan Associations and Savings Banks

Article 8, Section 128, of the Maryland Code (1965 Replacement Volume) imposes a tax measured by the net income of savings and loan associations and savings banks, and then expressly prohibits any other tax (except for real property taxation) upon such institutions by local subdivisions. The bar is equivalent to that imposed in the case of insurance companies and is an absolute one. Savings and loan associations and savings banks are therefore exempt from the tax.

## IV. Federal and State Banks

Except to the extent permitted and authorized by Congress, national banks are exempt from the imposition