

1 tax exemption which the B&O Railroad has and which we feel
2 it itself must put in jeopardy soon in order to comply
3 with its merger agreement.

4 Consequently, therefore, with that rather
5 involved and convoluted background, which is nothing
6 more than a history of an attempt to regularize the B&O
7 Railroad and to remove the exemption which it has, which
8 no one else has -- and this has, by the way, been reflected
9 in putting only a 20 per cent gross receipts tax upon
10 the B&O as compared to the hundred per cent that others
11 pay -- that is to say a one-half of one per cent as
12 compared to two and a half per cent which other railroads
13 pay -- but this generally has been a history of whittling
14 down on that exemption and trying to do something about it.

15 The State of Maryland regrets that it ever
16 did it, but the B&O Railroad has had the advantage of
17 it to this day, and so we would urge keeping it in order to
18 keep alive the hope in the heart of the State of Maryland
19 that it will kill the B&O exemption and exemptions
20 of like character some day.

21 THE CHAIRMAN: Are there any questions of the