

reach me until yesterday, in consequence of illness, and the interdiction by my physician of the communication to me of any business matter.

The order requests my official opinion, whether it is competent for the General Assembly to levy a tax upon the banks known as National Banks, organized under the Act of Congress, or to levy any other tax than such as is laid equally upon all the property liable to taxation in this State.

In reply, I have to state, that the Banks referred to, located in this State are banks of deposit, discount and circulation, engaged in what is known as the banking business, especially the loaning of money upon interest, whereby large profits are realized. I do not consider these banks were fiscal agents of the Federal Government, and as such exempt from State taxation. They are rather foreign corporations carrying on the banking business in this State, enjoying the benefit of State laws for the enforcement of contracts. And I am therefore of opinion that they are liable to State taxation. In what form this taxation is to be imposed, whether a per cent. on dividends or a tax upon the amount of capital employed in banking purposes will be for the wisdom of the Legislature to determine. Of course the tax must be so adjusted as not to be double upon any part of the property of those banks.

The Declaration of Rights declares the principle of equality of taxation of all property under the regular State and county assessment, but to show that the taxing power was left otherwise unfettered, the same Article declares, "yet fines, duties or taxes may properly and justly be imposed or laid, with a political view for the good government and benefit of the community." These words I take to mean, "for all governmental purposes consistent with the spirit of republican institutions."

The tax in question upon the privilege of carrying on the banking business in this State belongs to the same class as licenses, stamp duties, &c.

Respectfully submitted,

ISAAC D. JONES,  
Attorney General of Maryland.

Which was read.

Also,

The report of the joint committee from the two Houses of the last General Assembly, to meet a similar committee appointed by the Legislature of Virginia, in February, 1867,

Which was read and referred to a joint select committee as hereafter appointed.

Mr. Mitchell, Chairman of the Committee on the Judiciary, reported favorably