after December 31, 1940. Chapters 223, 382, 792, 906 and 912, which also amended the income tax law apply to the calendar year 1941 and thereafter.

The State Comptroller is required to administer the provisions of the Act. One-fourth of the tax collected from resident individuals is to be paid to political subdivisions of the State and the remainder of the tax collected is to be paid into the treasury of the State.

RESIDENT INDIVIDUALS

A resident is taxable upon his entire net income as defined in the Act of purposes of taxation.

The law defines investment income to include dividends, ground rents, annuity income and interest, except interest earned in the conduct of a business on (1) loans made under the provisions of Article 59A of the Annotated Code of Maryland, (2) business accounts and notes receivable, or (3) installment contracts. Ordinary income includes that portion of gross income which is not investment income.

Personal exemptions are provided under the Status of $1,000.00 in the case of a single person or a married person not living with husband or wife; $2000.00 in the case of the head of a family or a married person living with husband or wife; however, where joint or two separate returns are filed by husband and wife the combined exemption must not exceed $2,000.00; and $400.00 for each dependent person under eighteen years of age or incapable of self-support because mentally or physically defective.

The tax imposed shall be computed at the rate of 5% on the amount of the taxable net income up to but not exceeding the amount of the investment income and at the rate of 2% on the balance, if any, of the taxable net income.

NON-RESIDENT INIVIDUALS

A non-resident is taxable upon income as is derived from tangible property, real or personal, permanently located in this State (whether received directly or from a fiduciary) and income from business, trade, profession or occupation carried on in this State.

The personal exemptions accorded a non-resident are the same as those allowed a resident.

The tax imposed upon a non-resident shall be computed at the rate of 5% on the amount of the taxable net income up to but not exceeding the amount of the investment income and at the rate of 2% on the balance, if any, of the taxable net income.

FIDUCIARIES

The fiduciary is liable for tax only with respect to that portion of the income of the fiduciary estate as is accumulated and not paid, distributed or credited to or for the benefit of a beneficiary thereof.

The respective factors to be used in the computation of tax are that proportion of the investment income, ordinary income and allowable deductions, respectively, of the fiduciary estate for the taxable year as is equivalent to the ratio of the accumulated net income to the total net income of the fiduciary estate for such year.

A fiduciary is allowed a personal exemption of $200.00 to apply to the net income of the fiduciary estate which is accumulated.

The tax imposed shall be computed at the rate of 5% on the amount of the taxable net income up to but not exceeding the amount of the