

respective uses thereof, nor to buildings, furniture, equipment or libraries of incorporated educational or literary institutions, or to the ground appurtenant thereto, in any city or incorporated town of this State which are necessary to the respective uses thereof, nor to the buildings, equipments and furniture of hospitals, asylums, charitable or benevolent institutions of any county in this State, but not within any incorporated city or town of this State, nor to the ground not exceeding forty acres appurtenant respectively thereto which are necessary for the respective uses thereof, nor to the buildings, furniture, equipment or libraries of incorporated educational or literary institutions or to the grounds appurtenant thereto in any city or incorporated town of this State which are necessary for the respective uses thereof, nor to the buildings, equipment or libraries of incorporated educational or literary institutions in any county of this State, nor to the ground not exceeding forty acres appurtenant thereto which are necessary for the respective uses thereof, nor to the personal property of any corporation by this State and having capital stock divided into shares when said shares of said corporation are subject to taxation under the laws of this State, nor to the shares of stock of railroad companies working their roads by steam power, incorporated by or under the laws of this State which are subject to taxation upon their gross receipts within this State, and to county and municipal taxation upon their respective real and personal property in the respective counties and cities of this State, in which such respective properties are located, nor to the book accounts or bills receivable or evidences of debt given for such accounts of any person engaged in commercial business who is taxed upon the fair average value of his stock of goods, wares and merchandise; and every person engaged in commercial business shall be taxed upon the fair average value of his stock in such business during the year preceding the assessment upon which such tax is levied; and each and every one of said exemptions from taxation shall be strictly construed.

Corporations.

The fact that the personal property of a domestic corporation whose stock is subject to taxation in Maryland, is exempt under this section, does not affect the liability to taxation of the personal property of a foreign corporation whose stock is taxable here—see notes to section 2. *Wilkins Co. v. Baltimore*, 103 Md. 309. And see *Consolidated Gas Co. v. Baltimore*, 101 Md. 554.

The portion of this section exempting from taxation the personal property of corporations whose capital stock is taxed, precludes the taxation of the machinery of a manufacturing company as a part of its real estate. *Anne Arundel County v. Baltimore Sugar Co.* 99 Md. 485. (See section 164).

The act of 1870, ch. 394, exempting mortgages from taxation, held not to exempt the capital stock of a corporation to the extent that it is invested in mortgages. (As to taxes on mortgages, see sec. 187, *et seq.*) *Emory v. State*, 41 Md. 57. And see *Appeal Tax Court v. Gill*, 50 Md. 377; *Salisbury Bldg. Assn. v. Wicomico County*, 86 Md. 618.

While the land and buildings of a cemetery company under its charter were exempt from taxation, such exemption was held not to extend to a fund invested in stocks. Hence, the capital stock of the company was exempt from taxation to the extent of its holdings in *lands and buildings* only. *State v. Baltimore Cemetery Co.*, 52 Md. 639. And see *Appeal Tax Court v. St. Peter's Academy*, 50 Md. 345; *Appeal Tax Court v. St. Peter's*