

of the certificate of increase authorized, or upon the passage of any special act authorizing such increase.

If question were required to be decided, court would not be disposed to hold a deed from a corporation void on ground that its bonus tax was not paid where evidence to that effect is far from satisfactory, especially in view of fact that deed was subsequently ratified and confirmed by company. *Beetem v. Garrison*, 129 Md. 671.

The payment of bonus tax is a condition precedent to legal existence of a corporation and to possession of corporate powers. This rule is not altered by art. 23, sec. 8. Hence, a corporation cannot maintain an action for a libel published before its bonus tax was paid. Application of estoppel doctrine denied. This section construed in connection with sec. 106. *National Shutter Bar Co. v. Zimmerman*, 110 Md. 317; *Maryland Tube Co. v. West End Improvement Co.*, 87 Md. 208.

If a corporation has not paid its bonus tax, a subscription to its stock is a nullity and subscriber is in no way bound to pay for same unless after bonus tax is paid the subscription is ratified. What amounts to a ratification? This section is not qualified by secs. 105 to 107. *Murphy v. Wheatley*, 102 Md. 504; *Cleveland v. Mullin*, 96 Md. 603.

The defense that a plaintiff corporation has not paid its bonus tax, and hence has no corporate existence, may be raised by a party sued by such corporation. The payment of bonus tax after suit brought does not enable corporation to maintain the suit. *Maryland Tube Works v. West End Improvement Co.*, 87 Md. 210.

A corporation's charter must be interpreted as subordinate to, and not as a repeal or modification of, this and the following sections. *Murphy v. Wheatley*, 100 Md. 363; *Cleveland v. Mullin*, 96 Md. 603.

Where two corporations consolidate under an agreement whereby the new corporation is to issue a certain amount of stock, a portion of which is to be cancelled, the bonus tax is payable on amount authorized to be issued, and not on that amount less stock cancelled. *State v. Consolidated Gas Co.*, 104 Md. 365; *Diggs v. Fidelity Co.*, 112 Md. 73.

The act of 1890, ch. 536, providing that all corporations incorporated "since" January, 1890, should pay a bonus tax, was approved April 8, 1890. Held that act applied to corporations formed between January 1, and April 8, 1890, as well as to those formed after latter date. *Roland Park Co. v. State*, 80 Md. 450.

The act of 1890, ch. 536, held invalid in part because its title was defective under art. 3, sec. 29, of the state Constitution. *State v. Schultz Co.*, 83 Md. 59.

See art. 23, secs. 7 and 106.

An. Code, sec. 101. 1904, sec. 99. 1894, ch. 114, sec. 88G.

**105.** If any corporation or company from which said bonus shall be due shall fail or neglect to pay the same to the treasurer of the State for the space of two months after the same has been due and payable as aforesaid it shall be the duty of the comptroller to make out said account against such corporation and certify the same under the seal of his office and transmit the same to some attorney in whom he has confidence and to cause suit to be brought for the recovery of said bonus; but no acquittance shall be good to discharge such corporation from such bonus but the receipt of the treasurer of the State or the proper officer to whom execution on judgment may issue.

See notes to sec. 104.

An. Code, sec. 102. 1904, sec. 100. 1894, ch. 144, sec. 88H.

**106.** Suit for the recovery of such bonus shall be brought in the county where the incorporation papers of such corporation are recorded or where the principal office of such company is located, or in the city of Baltimore if the incorporation papers of such company are there recorded, or the principal office of such company is there located, and the service of the