

(e) Losses sustained during the taxable year of property not connected with trade or business (but in the case of a taxpayer other than a resident, only of real or tangible personal property having a permanent *situs* in this State), if arising from fire, storms, shipwrecks or other casualty or from theft and not compensated for by insurance or otherwise.

(f) Debts due the taxpayer arising out of a trade or business the income from which is subject to taxation under this sub-title, ascertained to be worthless and charged off within the taxable year. In the case of a debt existing on January 1st, 1937, not more than its fair market value on that date shall be deducted. In the case of taxpayers who keep regular books of account on an accrual basis and according to standard accounting practice, there may be deducted, in lieu of the foregoing, additions to reserves for bad debts, under such rules as the comptroller may prescribe. If the Comptroller at any time shall deem the reserve excessive, he may restore such excess to the income either in a subsequent year or as a part of the income of the taxable year in which deducted.

(g) Debts arising after January 1, 1937, ascertained to be worthless and charged off within the taxable year from unpaid salaries, wages, rent or any similar item of taxable income to the extent that the income which said item represents has been included as income by the taxpayer in a return rendered under this sub-title.

(h) The actual amount paid or incurred during the taxable year for repairs to and maintenance of buildings and machinery, the income from which is taxable hereunder.

(i) All fire, tornado and casualty insurance premiums paid or accrued during the taxable year in connection with property the income from which is subject to taxation under this sub-title.

(j) A reasonable allowance for exhaustion, wear and tear of property used in trade or business, including a reasonable allowance for obsolescence, and in the case of natural resources, allowance for depletion, as permitted by rules and regulations of the Comptroller.

(k) Contributions or gifts actually paid by individuals within the taxable year to or for the use of: (1) this State, its institutions, or any political sub-division of the State exclusively for public purposes; (2) any corporation, or trust, or community fund, or foundation, no part of the net income of which inures to the benefit of any private shareholder or individual, but only if such contributions or gifts are dedicated exclusively for religious, charitable, scientific, literary or educational purposes; or (3) a fraternal society or organization, operating under the lodge system, but only if such contributions or gifts are dedicated exclusively for religious, charitable, scientific, literary or educational purposes; to an amount which, in all the above cases combined, does not exceed fifteen per cent. (15%) of the taxpayers' net income as computed without the benefit of this sub-section. Such contributions or gifts shall be allowable as deductions only if verified under the rules and regulations prescribed by the Comptroller.

(l) Losses from lawful wagering transactions incurred and paid during the taxable year but only to the extent of gains derived therefrom.

(m) All ordinary and necessary expenses (not otherwise herein provided for) paid or incurred during the taxable year for the acquisition of income or the care of income-producing property.

(n) Net additions to legal reserves for the taxable year, as required by law, in the case of life insurance companies and/or mutual fire insurance companies.