

of four percent (4%) of such portion thereof as is allocable to this State under the provisions of Section 253 hereof.

(e) The following shall not be liable for the tax imposed by this section:

- (1) National and State banks and trust companies;
- (2) Mutual saving institutions;
- (3) Federal and domestic mutual building and loan associations;

(4) Insurance companies as defined in Section 101 of this Article;

(5) Religious, educational, charitable, social, fraternal and other similar corporations not organized or conducted for profit, no part of the net earnings of which inure to the benefit of any private shareholder or individual but not including corporations organized for the exclusive purpose of holding title to property and collecting income therefrom unless the entire amount of such income less related expenses is turned over to a corporation or organization which itself is exempt from the tax imposed by this sub-title; and

(6) Farmers' or other mutual hail, cyclone or fire insurance companies or associations, the income of which is used or held for the purpose of paying losses or expenses.

(f) If the taxpayer's taxable year is a fiscal year ending in 1948, such taxpayer shall compute his tax liability as prescribed in this section in the following manner: A tax shall first be computed according to the rates applicable to the calendar year 1947. A tentative tax shall then be computed according to the rates applicable to the calendar year 1948 and the difference between the tax and the tentative tax shall be determined. Such taxpayer's liability under this section shall be the sum of (a) the tax as computed according to the rates applicable to the calendar year 1947, and (b) that proportion of the difference between the tax and the tentative tax, as defined above, as the number of months in the taxpayer's fiscal year or period which fall in the calendar year 1948 bears to the whole number of months of such fiscal year or period. This sub-section shall be inapplicable for the calculation of any tax on any return filed which covers a fiscal year or period ending after December 31, 1948.

SEC. 2. *And be it further enacted*, That Sub-sections (a) and (c) to (i), inclusive, of Section 230B of Article 81 of the Annotated Code of Maryland (1943 Supplement), title "Revenue and Taxes", sub-title "Income Tax", as said section was amended by Chapter 92 of the Acts of 1945, be and the same are hereby repealed and re-enacted, with amendments, to read as follows: