

## INTANGIBLE PERSONAL PROPERTY

*In Maryland, as everywhere, is there increasing uneasiness in taxation matters caused by greater demands on the public treasury, and this statement is true as regards State government, county government and for local, town or city government.*

The burden on real estate and all tangible property is becoming, if it has not already become, burdensome, and study everywhere is directed to new sources of revenue. At such times legislative bodies are apt to experiment with new methods and theories and legislation enacted without proper consideration resulting in many mistakes, as has been done in Maryland and in many other States and communities.

It is not surprising, therefore, that attention has been directed to raising revenues from invisible wealth, such as incomes from bonds, stocks, patents, copyrights and credits—in other words, a contribution from persons other than things.

Resort has been had to a tax on incomes (other than from real estate) in some States, and in other communities resort has been had to a direct assessment against that thing in the hands of the holders producing the income. With the notable exception of Wisconsin, efforts to collect a State income tax have been a failure, and in those States where the full rate of taxation has been levied on intangible personal property the result has been just as disastrous. Justice required a modification of the efforts to levy the full rate, and in some communities this property has been considered as being in a class by itself and a tax rate lower than the rate on other property has been levied.

This is the Maryland method and became effective in 1897 by the Legislature of 1896, which classified the property and decided on a rate uniform throughout the State and irrespective of the usual rate of taxation prevailing at the residence of the holder and lower than the rate on other property.

Article 81, Section 214, of the Code of Public General Laws provides that all bonds of corporations and all shares of stock of foreign corporations and all certificates of indebtedness held by residents of Maryland shall pay a tax of 30 cents for local purposes and