

All annual reports should be filed on or before a fixed and uniform date. The Commission recommends as a suitable date for this purpose the first day of March. The desired changes could be accomplished by a single enactment.

PENALTIES

Prior to the year 1915, as stated elsewhere in this report, corporations organized in Maryland were subject to assessment on their shares, irrespective of the purpose for which they were organized or the nature of the business conducted by them. The Act of 1914, Chapter 324 (Article 23, Section 88-B), creates a class of corporations designated as "ordinary business" corporations and provides for a method of assessment directly of their tangible personal assets by the State Tax Commission and for a franchise tax on their capital.

It was doubtless intended that corporations should be subject to penalties for failure to report such information as would assist the State Tax Commissioner in arriving at the value of shares; examination, however, of Section 154 of Article 81 discloses the fact that the penalty of \$500 is imposable upon the president, cashier or other chief officer and not upon the corporation itself, and furthermore that the State Tax Commission has no direct power to impose it. The provisions for collection are complicated and cumbersome.

Of the many corporations chartered, some exercise their powers for a short time only, while others are never organized; yet it is necessary for the Commission to carry such corporations on its books from year to year, until the Commission has good reason to believe, from reliable information, that they will never again exercise any of their corporate powers. The failure to report for two successive years should be considered a reason for the annulment of such charters in proceedings to be instituted by the Attorney General on the certification of this Commission. To avoid unnecessary expense and trouble, the law should authorize any number of corporations to be covered by a single proceeding.

In the case of those corporations which are delinquent, penalties should be imposable directly by the Commission. In another part