

CHAPTER 223.

(Senate Bill 309)

AN ACT to repeal and re-enact, with amendments, Sub-section (k) of Section 224 of Article 81 of the Annotated Code of Maryland (1939 Edition), title "Revenue and Taxes", sub-title "Income Tax", permitting certain contributions or gifts by firms or corporations to be deducted from taxable income.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Sub-section (k) of Section 224 of Article 81 of the Annotated Code of Maryland (1939 Edition), title "Revenue and Taxes", sub-title "Income Tax", be and it is hereby repealed and re-enacted, with amendments, to read as follow :

224. (k) Contributions or gifts actually paid by individuals, firms or corporations 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.

SEC. 2. *And be it further enacted,* That this Act is hereby declared to be an emergency law and necessary for the immediate preservation of the public health and safety, and being passed by a ye and nay vote, supported by three-fifths of all the members elected to each of the two Houses of the General Assembly, the same shall take effect from the date of its passage.

Approved May 29, 1941.