

Tax", so as to exempt property used for religious, charitable, scientific, literary or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals.

SECTION 1. *Be it enacted by the General Assembly of Maryland*, That Section 110 of Article 81 of the Annotated Code of Maryland (Edition of 1939) title "Revenue and Taxes", subtitle "Inheritance Tax", be and same is hereby repealed and re-enacted with amendments, so as to read as follows:

110. There is hereby levied and imposed a tax at the rate of seven and one-half per centum on every one hundred dollars of the clear value of any and all property, having a taxable situs in this State, passing at the death of any resident or non-resident decedent, in trust or otherwise, to or for the use of any person or persons, other than the father, mother, husband, wife, children or lineal descendants of such decedent; provided, however, that nothing in this section shall apply to property passing to the State or to any county or city of the State by escheat or otherwise, or to monies not in excess of five hundred dollars bequeathed for the perpetual upkeep of a grave or graves. And provided further that nothing in this section shall apply to property passing, in trust or otherwise, to or for the use of a corporation, trust or community chest, fund, or foundation, created or organized under the law of the United States or of any State or territory or possession of the United States, organized and operated exclusively for religious, charitable, scientific, literary or educational purposes, including the encouragement of art and the prevention of cruelty to children or animals, a substantial part or all of the activities and work of which are carried on in the State of Maryland, and no part of the net earnings of which inures to the benefit of any private shareholder or individual.

SEC. 2. *And be it further enacted*, That, to the extent not previously provided for, the exemptions granted by this Act shall apply, in addition to property passing at deaths hereafter, to property passing or passed at deaths which occurred before the passage of this Act, in those instances where the property has not yet been distributed or where the inheritance taxes previously imposed have not yet been paid.

SEC. 3. *And be it further enacted*, That this Act is 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 6, 1943.