

WHEREAS, sub-section (i) of Section 322 of Article 81 of the Annotated Code of Maryland (1951 Edition), upon certain conditions, exempts from the Retail Sales Tax Act "Sales to any person operating a non-profit religious, charitable, scientific, literary or educational institution or organization situated in this State"; and

WHEREAS, the Court of Appeals of Maryland has held, in the case of John McShain, Inc. v. Comptroller, No. 103, October Term 1952, 95 A. 2d 473, that, under some circumstances the United States of America is such a person; and

WHEREAS, it is and has always been the intent of the General Assembly of Maryland that said exemption should apply only to private non-profit religious, charitable, scientific, literary or educational institutions or organizations;

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Article 81, Sub-section (i) of Section 322 of the Annotated Code of Maryland (1951 Edition), title "Revenue and Taxes", sub-title "Retail Sales Tax Act", be and it is hereby repealed and re-enacted, with amendments, to read as follows:

322. (i) Sales to any person operating a non-profit religious, charitable, scientific, literary or educational institution or organization situated in this State when such tangible personal property is purchased for use in carrying on the work of such institution or organization; *provided that the word "person", as used in this sub-section shall not include the United States of America or any agency or instrumentality thereof.*

SEC. 2. *And be it further enacted,* That nothing in this Act shall be construed to indicate a belief or intent of the General Assembly that sub-section (i) of Section 322 of Article 81 of the Annotated Code of Maryland, prior to the enactment of this amendment, included within the term "person" the United States of America or any agency or instrumentality thereof.

SEC. 3. *And be it further enacted,* That this Act is hereby declared to be an emergency measure and necessary for the immediate preservation of the public health and safety, and having been passed by a yea and nay vote, supported by three-fifths of all the members elected to each of the two Houses of the General Assembly of Maryland, the same shall take effect from the date of its passage.

Approved March 12, 1954.