

to be a Corporation," repealing the present franchise tax on deposits of savings banks and substituting therefor a franchise tax on the net earnings of savings banks and of building, saving and loan associations, imposing the tax for a franchise to be a corporation upon savings banks, and generally amending the tax laws of this State with respect to taxes imposed upon and collected from savings banks and buildings, saving and loan associations and homestead associations; AND PROVIDING THAT THE SEVERAL POLITICAL SUBDIVISIONS IN THE STATE SHALL NOT IMPOSE CERTAIN TAXES UPON SAVINGS BANKS OR BUILDING, SAVINGS AND LOAN ASSOCIATIONS.

SECTION 1. *Be it enacted by the General Assembly of Maryland,* That Section 128 of Article 81 of the Annotated Code of Maryland (1957 Edition), title "Revenue and Taxes," subtitle "Franchise Tax on Deposits of Savings Banks," be and it is hereby repealed and that a new Section 128 be and it is hereby enacted in lieu thereof to stand in the place of the section so repealed and to be under the new subtitle "Franchise Tax on Net Earnings of Savings Banks, and Building, Saving and Loan Associations"; and that Section 6 of said Article (1964 Supplement), subtitle "Classification of Taxes," be and it is hereby repealed and re-enacted, with amendments; and that Section 197 (d) of said Article (1957 Edition), subtitle "Tax on Franchise to be a Corporation," be and it is hereby repealed and re-enacted, with amendments, all to read as follows:

6.

The taxes imposed by this article shall be divided into (1) ordinary taxes, and (2) special taxes. Direct taxes imposed in respect of real or personal property shall be ordinary taxes; provided, however, that real and personal property shall be separately classified, and personal property separately subclassified for assessment purposes.

Special taxes shall include:

[(a)] Tax on Deposits of savings banks.]

(1) Franchise tax on net earnings of savings banks and of building, saving and loan associations.

[(b)] (2) Gross receipts tax.

[(c)] (3) Tax on commissions of executors and administrators.

[(d)] (4) Inheritance tax.

[(e)] (5) Bonus tax on corporations.

[(f)] (6) Tax on franchise to be a corporation.

[(g)] (7) Franchise tax on foreign corporation.

[(h)] (8) Income tax.

Franchise Tax on Net Earnings of Savings Banks and of Building, Saving and Loan Associations

128.

(a) A tax is imposed on the net earnings of every savings bank and of every building, saving and loan association, as in this section provided.