

150.

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 nonresident 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 **OR ANY STEP-CHILD OR STEP-PARENT IIWHO IS SPECIFICALLY PROVIDED FOR IN A WILL OR OTHER TESTAMENTARY INSTRUMENTII OF THE DECEDENT**; AND BE IT FURTHER PROVIDED THAT ANY PERSON WHO IS A SPOUSE OF A LINEAL DESCENDANT OF THE DECEDENT, SHALL ONLY BE SUBJECT TO A ONE PERCENT TAX ON A SINGLE JOINT SAVINGS ACCOUNT WHICH HAS LESS THAN TWO THOUSAND DOLLARS DEPOSITED THEREIN. I; providedI 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 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, if none of the purposes and no substantial part of the activities of which are carrying on propaganda or otherwise attempting to influence legislation and if no part of the net earnings of which inures to the benefit of any private shareholder or individual, and (i) if a substantial part or all of the activities and work of which are carried on in the State of Maryland or in the District of Columbia, or (ii) if it is a Maryland corporation, or (iii) if the law of such jurisdiction other than Maryland does not impose a legacy, inheritance, succession or death tax of any character in respect of property transferred to a similar eleemosynary beneficiary organized or existing under the law of the State of Maryland or provides for an exemption from such taxes on such transfers on a reciprocal basis. For the purposes of this section, the Montgomery County General Hospital, Incorporated, of Sandy Spring, Maryland, shall be construed to be a corporation of this State, organized and operated exclusively for charitable and educational purposes, no part of the net earnings of which inures to the benefit of any private shareholder or individual.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect July 1, 1973, and shall apply to decedents dying on or after July 1, 1973.

Approved May 24, 1973.

CHAPTER 813

(House Bill 904)

AN ACT to repeal and re-enact, with amendments, Section 26-7(d) of Article 33 of the Annotated Code of Maryland (1971 Replacement Volume), title "Election Code," subtitle "Fair Election Practices," to provide that surplus funds from the treasury of a candidate for a county board of education may go to the local board of education or to a charitable organization for benefit of pupils or teachers.