

credits, was transferred to Article 81, § 12G-11 of the Code.

As to the Corporation's exemption from the Maryland Securities Act, see CA § 11-601.

Article - Financial Institutions

5-510. DEVELOPMENT CREDIT CORPORATION OF MARYLAND MEMBERSHIP AUTHORIZED.

A BANKING INSTITUTION MAY:

- (1) BECOME AND PARTICIPATE AS A MEMBER OF THE DEVELOPMENT CREDIT CORPORATION OF MARYLAND; OR
- (2) WITHDRAW FROM THE CORPORATION.

REVISOR'S NOTE: Ch. _____, Acts of 1982, which transferred to the Session Laws provisions that relate to the creation and operation of the Development Credit Corporation, added this section as a general reference to the authority of a banking institution to become one of its members and to withdraw.

Article 81 - Revenue and Taxes

[427.] 12G-11.

(a) The [corporation] DEVELOPMENT CREDIT CORPORATION OF MARYLAND shall not be liable for the tax imposed under the subtitle "Income Tax" of [Article 81 of the Annotated Code of Maryland] THIS ARTICLE; and the securities, [evidence] EVIDENCES of indebtedness and shares of the capital stock issued by the [corporation] CORPORATION, their transfer, and income therefrom, and deposits of financial institutions to the extent invested therein, shall at all times be free from taxation within this State.

(b) Any stockholder, member or other holder of any securities, evidences of indebtedness, or shares of the capital stock of the [corporation] DEVELOPMENT CREDIT CORPORATION OF MARYLAND who realizes a loss from the sale, redemption, or other disposition of any securities, evidences of indebtedness, or shares of the capital stock of the [corporation] CORPORATION, including any such loss realized on a partial or complete liquidation of the [corporation] CORPORATION, and who is not entitled to deduct such loss in computing any of such stockholder's, member's, or other holder's taxes to the State, shall be entitled to credit against any taxes subsequently becoming due to the State from such stockholder, member, or other holder, a percentage of such loss equivalent to the highest rate of tax assessed against income for the year in which the loss occurs upon mercantile and business corporations.