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Appeal Tax Court Has Many Recommendations

***Annual Report Advocates an Income and Franchise Tax—
Increase in the Basis—Legislation Needed***

According to the annual report of the Appeal Tax Court, submitted to the mayor yesterday, the taxable basis of Baltimore City is \$405,506,085. This is divided as follows:

Real estate	\$242,649,982
Personal, less plant exemptions	34,704,248
Corporations (estimated)	45,000,000
Securities	72,708,386
Suburban real estate	11,443,499

October 1 last, when the court made a report to the board of estimates in order to furnish a basis for the ordinance of estimate, the basis was \$402,514,431. Since then it has increased by \$3,991,654.

After a recapitulation of the difficulties encountered by the judges in dealing with the cases "inherited" from their predecessors, the report contains a number of radical recommendations.

"The court," it says, "has under consideration a plan for a franchise tax and the question of an income tax. We propose at the proper time to submit our plans to carry out these suggestions.

"The court endeavored to get the legislature of 1900 to pass an act exempting from taxation \$300 worth of furniture. This character of property assessed is almost worthless, and the collections from it to the city are hardly commensurable with the effort and cost of collecting. Your attention is also called to the absolute worthlessness of the tax on the interest of mortgages of \$200 principal or under. To collect 8 percent on the income of such mortgages requires work and effort which never pays for the amount collected.

The report urges the repeal of the laws which grant the register of wills and clerk of the Superior court fees for furnishing information to the Appeal Tax Court, and urges the passage of legislation compelling corporation officers to reveal the names of stockholders.

"In spite of," says the report, "the attempt made by this court last year to assess securities, the results have not been satisfactory. The court intends during this year to proceed upon a new plan. If we succeed in accomplishing the desired result further legislation will be unnecessary, but there is no doubt that the passage of a law obliging all stocks, bonds and securities to be registered with some public officer, and if not registered to be uncollectible and interest forfeited, there would be a decided gain to the state and city."

A modification of the building laws is also recommended.

“The present law,” says the report, “is not very clear, and should be re-enacted so that the Appeal Tax Court could have unquestionable powers to regulate the character of buildings to be erected in any locality in order that the same should conform to the general scheme of the buildings in the particular neighborhood.”

In conclusion, the judges say, with pride:

“We have endeavored to give all persons who applied for abatements a careful and considerate hearing. We have had before us 1,127 appeals for abatements on real estate. Of these cases six were taken to the City Court. Only two have been reversed or assessment reduced.”

The statistical tables annexed to the report show that during the year new buildings to the value of \$3,605,061 were erected in Baltimore.