
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. **157** Session of
1961

INTRODUCED BY MESSRS. MAHADY AND MULLIN,
FEBRUARY 7, 1961.

REFERRED TO COMMITTEE ON FINANCE
FEBRUARY 7, 1961.

AN ACT

Amending the act of June 20 1919 (P L 521) entitled as amended "An act providing¹ for the imposition and collection of certain taxes upon the transfer of property passing from a decedent who was a resident of this Commonwealth at the time of his death and of property within this Commonwealth of a decedent who was a nonresident of the Commonwealth at the time of his death defining and taxing transfers made in contemplation of death de-

EXPLANATION—CAPITAL LETTERS indicate new matter added to bill. Matter stricken through is to be omitted from bill. Underscoring indicates new matter added to existing law. [Brackets] indicate matter stricken from existing law.

fining as a transfer and taxing the right of survivorship in property as to which such right exists and making it unlawful for any corporation of this Commonwealth or national banking association located therein, to transfer the stock of such corporation or banking association standing in the name of any such decedent until the tax on the transfer thereof has been paid and providing penalties and citing certain acts for repeal" changing the tax rate on property transferred to brothers or sisters

The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows

1 Section 1 Section 2 act of June 20 1919 (P L 521) entitled as
2 amended "An act providing for the imposition and collection of certain
3 taxes upon the transfer of property passing from a decedent who was a
4 resident of this Commonwealth at the time of his death, and of property
5 within this Commonwealth of a decedent who was a nonresident of the
6 Commonwealth at the time of his death defining and taxing transfers
7 made in contemplation of death defining as a transfer and taxing the
8 right of survivorship in property as to which such right exists and mak-
9 ing it unlawful for any corporation of this Commonwealth or national
10 banking association located therein to transfer the stock of such cor-

1 poration or banking association standing in the name of any such de-
2 cedent until the tax on the transfer thereof has been paid and providing
3 penalties and citing certain acts for repeal" amended May 3 1956 (P L.
4 1525) is amended to read

5 Section 2 All taxes imposed by this act shall be imposed upon the
6 clear value of the property subject to the tax and shall be at the rate of
7 two per centum upon the clear value of the property subject to such tax
8 passing to or for the use of father mother husband wife children lineal
9 descendants born in lawful wedlock legally adopted children lineal de-
10 scendants of legally adopted children children of a former husband or
11 wife or the wife or widow of the son of a person dying seized or pos-
12 sessed thereof and also on the clear value of such property passing from
13 the mother of an illegitimate child or from any person of whom the
14 mother is a lineal descendant to such child his wife or widow and pass-
15 ing from an illegitimate child to his mother and at the rate of ten per-
16 centum upon the clear value of the property subject to such tax passing
17 to or for the use of a brother or sister of the person dying seized there-
18 of and at the rate of fifteen per centum upon the clear value of the
19 property subject to such tax passing to or for the use of any other person
20 or persons bodies corporate or politic to be paid for the use of the Com-

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1 monwealth Provided That when the transfer is by the intestate laws
2 of this Commonwealth and at the expiration of seven years from the
3 date of the death of the intestate the estate of the intestate has not been
4 distributed the taxes imposed by this act shall be at the rate of eighty
5 per centum upon the clear value of the property subject to such tax
6 passing to or from the use of a first cousin or other relative more remote
7 in degree than a first cousin and the taxes imposed by this proviso are
8 imposed upon every transfer by the intestate laws of this Common-
9 wealth of an estate or a portion of an estate which estate or portion
10 thereof shall not have been distributed prior to the passage of this act
11 In ascertaining the clear value of such estates the only deductions to be
12 allowed from the gross values of such estates by the register of wills
13 shall be the debts of the decedent reasonable and customary funeral ex-
14 penses bequests or devices in trust in reasonable amounts the entire in-
15 terest or income from which is to be perpetually applied to the care
16 and preservation of the family burial lot or lots their enclosures and
17 structures erected thereon reasonable expenses for the erection of mon-
18 uments or grave stones grave and lot markers and the expenses of the
19 administration of such estates and no deduction whatsoever shall be al-
20 lowed for or on account of any taxes paid on such estates to the Gov-

1 ernment of the United States or to any other State or Territory except
2 as otherwise provided in section one of this act Provided That the de-
3 ductions herein allowed in the case of any indebtedness of the decedent
4 shall when founded upon a promise or agreement be limited to the ex-
5 tent that they were contracted bona fide and for an adequate and full
6 consideration in money or money's worth And providing further That
7 whenever the allowance of any deduction by the register of wills from
8 the gross value of such estates shall be in dispute the question of allow-
9 ance shall be determined by the court having jurisdiction of the accounts
10 of the personal representative of the decedent in the adjudication made
11 by such court upon any such account and unless either party shall by
12 exceptions to the account or to the adjudication thereon duly presented
13 as provided by law raise its objection to the allowance or disallowance of
14 a deduction for any credit claimed in the account or any award made in
15 the adjudication as the case may be the adjudication confirming the ac-
16 count or making the award shall conclusively establish that the deduc-
17 tion should be allowed or disallowed as the case may be

We certify that this bill has passed the Senate and the House of
Representatives.

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Chief Clerk, Senate

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President pro tempore, Senate

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Speaker, House of Representatives

Approved 'The day of A. D. 1961.

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Governor