
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No.

305

Session of
1961

INTRODUCED BY MESSRS. KESSLER AND McMENAMIN,
FEBRUARY 27, 1961.

REFERRED TO COMMITTEE ON FINANCE,
FEBRUARY 27, 1961.

AN ACT

Amending the act of June 1 1889 (P L 420) entitled "A further supplement to an act entitled 'An act to provide revenue by taxation' approved the seventh day of June Anno Domini one thousand eight hundred and seventy-nine" defining manufacturing for tax purposes

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

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

1 Section 1 Subsection (a) of section 21 act of June 1 1889 (P L.
2 420) entitled "A further supplement to an act entitled 'An act to provide
3 revenue by taxation' approved the seventh day of June Anno Domini
4 one thousand eight hundred and seventy-nine" amended March 15 1956
5 (P L 1285) is amended to read

6 Section 21 (a) (1) That every domestic corporation other than
7 corporations of the first class non-profit corporations and cooperative
8 agricultural associations not having capital stock and not conducted for
9 profit and every joint-stock association limited partnership and company
10 whatsoever from which a report is required under the twentieth section
11 hereof shall be subject to and pay into the treasury of the Common-
12 wealth annually through the Department of Revenue a tax at the rate
13 of five mills upon each dollar of the actual value of its whole capital
14 stock of all kind including common special and preferred as ascertained
15 in the manner prescribed in said twentieth section Provided That the
16 tax of five mills imposed by this subsection on reports filed for the
17 calendar years one thousand nine hundred forty-seven one thousand nine
18 hundred forty-eight one thousand nine hundred forty-nine one thousand
19 nine hundred fifty one thousand nine hundred fifty-one one thousand nine
20 hundred fifty-two one thousand nine hundred fifty-three one thousand nine

1 hundred fifty-four one thousand nine hundred fifty-five one thousand
2 nine hundred fifty-six and one thousand nine hundred fifty-seven or for
3 the fiscal years beginning in the calendar years one thousand nine hundred
4 forty-seven one thousand nine hundred forty-eight one thousand nine
5 hundred forty-nine one thousand nine hundred fifty one thousand nine
6 hundred fifty-one one thousand nine hundred fifty-two one thousand nine
7 hundred fifty-three one thousand nine hundred fifty-four one thousand
8 nine hundred fifty-five one thousand nine hundred fifty-six and one
9 thousand nine hundred fifty-seven shall apply to the taxation of capital
10 stock of corporations limited partnerships and joint-stock associations
11 organized for manufacturing purposes excepting companies engaged in
12 the distilling of liquors Provided further That after said eleven year
13 period the provisions of this section shall not apply to the taxation of the
14 capital stock of corporations limited partnerships and joint-stock asso-
15 ciations organized for manufacturing purposes which is invested in and
16 actually and exclusively employed in carrying on manufacturing within
17 the State excepting companies engaged in the distilling of liquors and
18 such as enjoy and exercise the right of eminent domain but every corpora-
19 tion limited partnership or joint-stock association organized for the pur-

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1 pose of manufacturing shall pay the State tax of five mills herein pro-
2 vided upon such proportion of its capital stock if any as may be invested
3 in any property or business not strictly incident or appurtenant to the
4 manufacturing business in addition to the local taxes assessed upon its
5 property in the district where located it being the object of this proviso
6 to relieve from State taxation only so much of the capital stock as is in-
7 vested purely in the manufacturing plant and business

8 (2) For the purpose of this section manufacturing shall mean the
9 business of assembling fabricating compounding processing or producing
10 personal property for sale by the manufacturer or the owner thereof or
11 for use in the other operations of the manufacturer

12 The term "manufacturing" shall include but shall in no event be
13 limited to

14 (i) Electroplating galvanizing heat treating and other processes with
15 respect to metals

16 (ii) Processing of food and beverage products

17 (iii) Textile finishing

18 (iv) Publishing of books newspapers magazines or other periodicals
19 and printing

- 1 (v) Refining exploring mining and quarrying for or otherwise ex-
2 tracting from the earth or from waste or stock piles or from pits or banks
3 any natural resources minerals and mineral aggregates including blast
4 furnace slag
- 5 (vi) Building rebuilding repairing and making additions to or re-
6 placements in or upon vessels designed for commercial use of registered
7 tonnage of fifty tons or more when produced upon special order of the
8 purchaser or when rebuilt repaired or enlarged or when replacements
9 are made upon order of or for the account of the owner
- 10 (vii) Research having as its objective the production of a new or
11 an approved (A) product or utility service or (B) method of producing
12 a product or utility service but in either case not including market re-
13 search or research having as its objective the improvement of administra-
14 tive efficiency
- 15 Section 2 This act shall take effect immediately and its provisions
16 shall be applied retroactively with respect to reports filed for the calendar
17 year 1958 fiscal year beginning in 1958 and for any calendar or fiscal
18 year thereafter

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