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THE GENERAL ASSEMBLY OF PENNSYLVANIA

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**SENATE BILL**

No.

**648**

Session of  
1961

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INTRODUCED BY MESSRS. MILLER AND CONFAIR,  
MAY 10, 1961.

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REFERRED TO COMMITTEE ON FINANCE, MAY 10, 1961.

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**AN ACT**

Amending the act of March 6 1956 (P L 1228) entitled as amended

“An act to provide revenue for purposes of public education by imposing a tax on the sale use storage rental or consumption of certain personal property and certain services and upon the occupancy of hotel rooms providing for licenses reports and payment of tax interest and penalties assessments collections liens reviews and appeals prescribing crimes and offenses and penalties therefor providing for the application of general laws in the ad-

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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.

ministration and enforcement of this act conferring powers and imposing duties upon the Department of Revenue public officers manufacturers wholesalers retailers operators corporations partnerships associations and individuals and making an appropriation" extending the scope of the manufacturing exemption

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

1 Section 1 Subsection (c) of section 2 act of March 6 1956 (P L.  
2 1228) known as the "Selective Sales and Use Tax Act" amended April  
3 15 1959 (P L. 20) is amended to read

4 Section 2 Definitions The following words terms and phrases when  
5 used in this act shall have the meaning ascribed to them in this section  
6 except where the context clearly indicates a different meaning

7 \* \* \*

8 (c) "Manufacture" [The performance of manufacturing fabricating  
9 compounding processing or other operations engaged in as a business  
10 which place any personal property in a form composition or character  
11 different from that in which it is acquired whether for sale or use by the  
12 manufacturer and shall include but not be limited to]

1        [(1) Every operation commencing with the first production stage  
2 and ending with the completion of personal property having the physical  
3 qualities (including packaging if any passing to the ultimate consumer)  
4 which it has when transferred by the manufacturer to another

5        (2) When engaged in as a business assembling fabricating com-  
6 pounding processing or producing personal property for sale by the  
7 manufacturer or the owner thereof or for use in the other operations  
8 of the manufacturer

9        The term "manufacture" shall include but shall in no event be  
10 limited to

11        (1) Electroplating galvanizing and finishing of metals

12        (2) Processing of food and beverages when processed for the pur-  
13 pose of resale

14        (3) The dyeing and finishing of textiles

15        (4) Cold rolling and all other processes of steel production

16        (5) Publishing of books newspapers magazines or other periodicals  
17 and printing

18        [(3)] (6) Refining exploring mining and quarrying for or otherwise  
19 extracting from the earth or from waste or stock piles or from pits or

1 banks any natural resources minerals and mineral aggregates including  
2 blast furnace slag

3 [(4)] (7) Building rebuilding repairing and making additions to  
4 or replacements in or upon vessels designed for commercial use of reg-  
5 istered tonnage of fifty tons or more when produced upon special order  
6 of the purchaser or when rebuilt repaired or enlarged or when replace-  
7 ments are made upon order of or for the account of the owner

8 [(5)] (8) Research having as its objective the production of a new  
9 or an improved (a) product or utility service or (b) method of produc-  
10 ing a product or utility service but in either case not including market  
11 research or research having as its objective the improvement of adminis-  
12 trative efficiency

13 [The term "manufacture" as defined in this subsection (c)] The  
14 scope of the activities which shall be considered as manufacturing shall  
15 include every operation commencing with the first production stage and  
16 ending with the completion of the personal property having the physical  
17 qualities (including packaging if any passing to the ultimate consumer)  
18 which it has when possession or title is transferred by the manufacturer  
19 to another Manufacturing shall not include constructing altering servic-  
20 ing repairing or improving real estate or repairing servicing or install-

1 ing personal property

2 \* \* \*

3 Section 3 This act shall take effect immediately and its provisions

4 shall be retroactive to March 7 1956

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