
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 354

Session of
1961

MR. McMENAMIN, IN PLACE, MARCH 6, 1961.

MR. DEVLIN, RE-REPORTED FROM CORPORATIONS, AS
AMENDED, AUGUST 8, 1961.

AN ACT

Authorizing business corporations ENGAGED IN COMMUNITY INDUSTRIAL DEVELOPMENT WHOSE STOCK IS OWNED EXCLUSIVELY BY A NONPROFIT CORPORATION to amend their charters to be converted into nonprofit corporations ENGAGED IN SIMILAR PURPOSES with court approval and prescribing procedure

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. Underscoring indicates new matter added to existing law. [Brackets] indicate matter stricken from existing law.

1 Section 1 Any corporation incorporated under the provisions of
2 the "Business Corporation Law" approved May 5 1933 (P L 364) as
3 amended ENGAGED IN COMMUNITY INDUSTRIAL DEVELOP-
4 MENT WHOSE STOCK IS OWNED EXCLUSIVELY BY A NON-
5 PROFIT CORPORATION may make application to the court of com-
6 mon pleas of the county wherein the registered office of said corporation
7 is proposed to be located praying that a decree may issue converting said
8 corporation into a nonprofit corporation ENGAGED IN SIMILAR
9 PURPOSES with such changes and amendments in its corporate powers
10 and articles of incorporation as may be desired for that purpose

11 Section 2 The procedure to be followed upon said application shall
12 be that provided under the provisions of the nonprofit corporation law
13 and if the court shall find the articles to be in proper form and within
14 the provisions of the nonprofit corporation law and the purpose or pur-
15 poses given in the articles to be lawful and not injurious to the com-
16 munity the court shall so certify on the articles

17 Section 3 Upon approval by the court as aforesaid and the record-
18 ing of the articles and the order the said corporation shall thereafter
19 be deemed to be a nonprofit corporation for all purposes and shall
20 cease to be a business corporation provided however that it shall re-

1 main liable for all existing obligations public or private taxes due the
2 Commonwealth or any taxing authority and as such nonprofit corpora-
3 tion it shall continue to be entitled to all assets theretofore pertaining
4 to it as a business corporation

5 Section 4 Certified copies of the articles and order of court shall
6 be filed with the various departments of the State government having
7 supervision over business corporations which shall be effective as of the
8 close of the then current fiscal year

9 SECTION 5 THIS ACT DOES NOT RELATE TO DOES NOT
10 AFFECT AND DOES NOT APPLY TO

11 (1) COOPERATIVE ASSOCIATIONS WHETHER FOR PROF-
12 IT OR NOT FOR PROFIT

13 (2) BENEFICIAL BENEVOLENT FRATERNAL OR FRATER-
14 NAL BENEFIT SOCIETIES HAVING A LODGE SYSTEM AND
15 A REPRESENTATIVE FORM OF GOVERNMENT OR TRANS-
16 ACTING ANY TYPE OF INSURANCE WHATSOEVER

17 (3) ANY CORPORATION WHICH BY THE LAWS OF THIS
18 COMMONWEALTH IS SUBJECT TO THE SUPERVISION OF
19 THE DEPARTMENT OF BANKING THE INSURANCE DEPART-

1 MENT THE PENNSYLVANIA PUBLIC UTILITY COMMISSION
2 OR THE WATER AND POWER RESOURCES BOARD

3 SECTION 6 THE PROVISIONS OF THIS ACT CAN ONLY
4 BE INVOKED IN THOSE INSTANCES WHEREIN ALL THE
5 CORPORATIONS INVOLVED HAVE THEIR REGISTERED OF-
6 FICES WITHIN THE SAME COUNTY AND ALL THE CORPOR-
7 ATIONS INVOLVED HAVE A TAX EXEMPT STATUS WITH
8 THE FEDERAL GOVERNMENT

9 SECTION 7 THIS ACT SHALL TAKE EFFECT IMMEDI-
10 ATELY

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