

No. 416.

AN ACT

To amend section two of the act, approved the twentieth day of June, one thousand nine hundred and nineteen (Pamphlet Laws, five hundred twenty-one), entitled "An act providing 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 non-resident of the Commonwealth at the time of his death; 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," as amended, increasing the rate of the tax imposed by this act in certain cases.

Taxation.

Transfer tax.

Section 2 of act of June 20, 1919 (P. L. 521), as amended by section 1 of act of July 19, 1928 (P. L. 1078), further amended.

Section 1. Be it enacted, &c., That section two of the act, approved the twentieth day of June, one thousand nine hundred and nineteen (Pamphlet Laws, five hundred twenty-one), entitled "An act providing 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 non-resident of the Commonwealth at the time of his death; 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," which was amended by section one of the act, approved the twelfth day of July, one thousand nine hundred and twenty-three (Pamphlet Laws, one thousand seventy-eight), entitled "An act to amend an act, approved June twentieth, one thousand nine hundred and nineteen (Pamphlet Laws, five hundred and twenty-one), entitled 'An act providing 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 non-resident of the Commonwealth at the time of his death; 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,' as amended," is hereby further amended to read as follows:

Section 2. All taxes imposed by this act shall be imposed upon the clear value of the property subject to the tax and shall in each estate be equal to twenty-five per centum of the estate tax imposed upon the net estate of such decedent under the provisions of section three hundred and one of the Revenue Act of one thousand nine hundred and twenty-four of the United States, but if said section of said Revenue Act is repealed or if no tax is imposed on such estate by said section of said act or if twenty-five per centum of the tax imposed by said section amounts to less than the following rates, then in either event the taxes imposed by this act shall be at the rate of two per centum upon the clear value of the property, subject to such tax passing to or for the use of father, mother, husband, wife, children, lineal descendants born in lawful wedlock, legally adopted children, children of a former husband or wife, or the wife or widow of the son, of a person dying seized or possessed thereof, and also on the clear value of such property passing from the mother of an illegitimate child, or from any person of whom the mother is a lineal descendant, to such child, his wife, or widow, and passing from an illegitimate child to his mother; and at the rate of ten per centum upon the clear value of the property subject to such tax passing to or for the use of any other person or persons, bodies corporate or politic; to be paid for the use of the Commonwealth. In ascertaining the clear value of such estates, the only deductions to be allowed from the gross values of such estates shall be the debts of the decedent, reasonable and customary funeral expenses, bequests or devises in trust, in reasonable amounts, the entire interest or income from which is to be perpetually applied to the care and preservation of the family burial lot or lots, their enclosures and structures erected thereon, reasonable expenses for the erection of monuments or gravestones, grave and lot markers, and the expenses of the administration of such estates, and no deduction whatsoever shall be allowed for or on account of any taxes paid on such estates to the Government of the United States or to any other State or Territory.

Rate of direct tax.

Rate of collateral tax.

Deductions.

APPROVED—The 15th day of May, A. D. 1925.

GIFFORD PINCHOT.