

No. 520

AN ACT

To further amend section one of the act, approved the thirteenth day of June, one thousand nine hundred seven (Pamphlet Laws, six hundred forty), entitled "An act to provide revenue by levying a tax upon the shares of stock of companies incorporated under the provisions of section twenty-nine of an act, entitled 'An act to provide for the incorporation and regulation of certain corporations,' approved April twenty-ninth, one thousand eight hundred and seventy-four, and the supplements thereto; for the insurance of owners of real estate, mortgages, and others interested in real estate, from loss by reason of defective titles, liens, and encumbrances; and of companies entitled to the benefits of, and of companies having any of the powers of, companies entitled to the benefits of an act, entitled 'An act conferring upon certain fidelity, insurance, safety deposit, trust, and savings companies the powers and privileges of companies incorporated under the provisions of section twenty-nine of an act, entitled "An act to provide for the incorporation and regulation of certain corporations," approved April twenty-ninth, Anno Domini one thousand eight hundred and seventy-four, and of the supplements thereto,' approved June twenty-seventh, one thousand eight hundred and ninety-five, commonly known as title insurance or trust companies," by providing that certain companies shall not be subject to the tax.

Section 1. Be it enacted, &c., That section one of the act, approved the thirteenth day of June, one thousand nine hundred seven (Pamphlet Laws, six hundred forty), entitled "An act to provide revenue by levying a tax upon the shares of stock of companies incorporated under the provisions of section twenty-nine of an act, entitled 'An act to provide for the incorporation and regulation of certain corporations,' approved April twenty-ninth, one thousand eight hundred and seventy-four, and the supplements thereto; for the insurance of owners of real estate, mortgages, and others interested in real estate, from loss by reason of defective titles, liens, and encumbrances; and of companies entitled to the benefits of, and of companies having any of the powers of, companies entitled to the benefits of an act, entitled 'An act conferring upon certain fidelity, insurance, safety deposit, trust, and savings companies the powers and privileges of companies incorporated under the provisions of section twenty-nine of an act, entitled "An act to provide for the incorporation and regulation of certain corporations," approved April twenty-ninth, Anno Domini one thousand eight hundred and seventy-four, and of the supplements thereto,' approved June twenty-seventh, one thousand eight hundred and ninety-five, commonly known as title insurance or trust companies," as last amended by act number sixty,* approved the eighth day of April, one thousand nine

Section 1, act of June 13, 1907 (P. L. 640), as last amended by act of July 28, 1936 (P. L. 73), further amended.

* Should be act No. 59.

hundred thirty-seven, be, and the same is hereby, further amended to read as follows:

Section 1. Be it enacted, &c., That from and after the passage of this act, every company incorporated under the provisions of section twenty-nine of an act, entitled "An act to provide for the incorporation and regulation of certain corporations," approved April twenty-ninth, one thousand eight hundred and seventy-four, and its supplements, or any other act of Assembly heretofore or hereafter approved, for the insurance of owners of real estate, mortgages, and others interested in real estate, from loss by reason of defective titles, liens, and encumbrances, and every company entitled to benefits of, and every company having any of the powers of, companies entitled to the benefits of an act, entitled "An act conferring upon certain fidelity, insurance, safety deposit, trust, and savings' companies the powers and privileges of companies incorporated under the provisions of section twenty-nine of an act, entitled 'An act to provide for the incorporation and regulation of certain corporations,' approved April twenty-ninth, Anno Domini one thousand eight hundred and seventy-four, and of the supplements thereto," approved June twenty-seventh, one thousand eight hundred and ninety-five, commonly known as title insurance or trust companies, and every company organized as a bank and trust company or as a trust company under any act of Assembly heretofore or hereafter approved, except any such [corporations] *companies*, all of the shares of capital stock of which (other than shares necessary to qualify directors) are owned by a [corporation] *company* which is liable to pay to the Commonwealth a tax on shares, shall, on or before the fifteenth day of February in each and every year, make to the Department of Revenue a report in writing, setting forth the full number of shares of the capital stock subscribed for or issued by such company, and the actual value thereof as of December thirty-first preceding, which shall be ascertained as hereinafter provided; and thereupon it shall be the duty of the Department of Revenue, for the calendar year ending December thirty-first, one thousand nine hundred thirty-six, to assess such shares for taxation at the rate of eight mills upon each dollar of the actual value thereof, and thereafter at the rate of [five] *eight* mills upon each dollar of the actual value thereof; the actual value of each share of stock to be ascertained and fixed by adding together the amount of capital stock paid in, the surplus, and undivided profits, and dividing this amount by the number of shares.

It shall be the duty of every such company, within a period of sixty days after the date of such settlement by the Department of Revenue, to collect the amount of

said tax from its shareholders and pay the same to the State Treasurer, through the Department of Revenue: Provided, That upon the payment of the tax fixed by this act into the State Treasury, through the Department of Revenue, the shares, and so much of the capital stock, surplus, profits, and deposits of such company as shall not be invested in real estate, shall be exempt from all other taxation under the laws of this Commonwealth. The procedure, in case the Department of Revenue be not satisfied with the report made by any title insurance or trust company, and the penalties for failing to make such report and pay the tax, shall be as provided by law.

Section 2. If any provisions of this act, relieving any corporation in whole or in part from the payment of the tax imposed by this act, is declared unconstitutional by final judgment, order or decree of a court of competent jurisdiction, or if any such provision is declared by a final judgment, order or decree of a court of competent jurisdiction to discriminate against United States securities in such a manner as to require an exemption or deduction of the same, proportionate or otherwise, in the imposition, assessment or settlement of the tax, or to impose tax upon moneyed capital in the hands of individual citizens of this Commonwealth coming into competition with the business of national banks at a lesser rate than is imposed on shares of national banks, the Legislature hereby declares its intent that any such provision shall thereupon become inoperative and inapplicable from the effective date of this act, and the corporations, subject to the tax imposed by this act, shall, for that period and thereafter, be taxed to the same extent and in the same manner as if any such provision had not been enacted.

Section 3. This act shall become effective immediately upon its final enactment.

APPROVED—The 1st day of July, A. D. 1937.

GEORGE H. EARLE

No. 521

AN ACT

To further amend clause (a) of section two of the act, approved the seventh day of June, one thousand nine hundred and seventeen (Pamphlet Laws, three hundred eighty-eight), entitled "An act relating to the jurisdiction, powers, and procedure of the orphans' court and the court of common pleas as to sales, mortgages, conveyances on ground-rents, leases, extinguishment of ground-rents, partition, exchange, squaring and adjusting of lines between adjoining owners, consolidation and combination of mining lands and the leasing thereof, the