

Section 1. Section 2, act of May 25, 1945 (P. L. 1050). known as the "Local Tax Collection Law," is amended by adding, at the end thereof, a new definition to read:

Section 2, act of May 25, 1945, P. L. 1050, amended by adding a new definition.

Section 2. Definitions.—The words—

* * * * *

"Taxes" shall include all taxes levied and assessed by taxing districts, except those levied and assessed under authority of the act of June 25, 1947 (P. L. 1145), as amended, and shall also include the penalties and interest imposed thereon.

Section 2. All general, special and local acts, and parts of acts, are hereby repealed in so far as they authorize or permit the collection, disposition or use of penalties or interest imposed upon taxes in a manner other than that provided in the act to which this is an amendment.

Repeal.

APPROVED—The 30th day of December, A. D. 1959.

DAVID L. LAWRENCE

No. 759

AN ACT

Amending the act of May 23, 1949 (P. L. 1669), entitled, as amended, "An act to provide revenue for school districts of the first class by imposing a tax on persons engaging in certain businesses, professions, occupations, trades, vocations and commercial activities therein; providing for its levy and collection; conferring and imposing powers and duties on the Board of Public Education, receiver of school taxes and school treasurer in such districts; and prescribing penalties," defining "receipts," to exclude certain wholesale dealers in tobacco and tobacco products, and making such definitions retroactive.

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

School districts of first class.

Section 1. Clause (5) of section 1, act of May 23, 1949 (P. L. 1669), entitled, as amended, "An act to provide revenue for school districts of the first class by imposing a tax on persons engaging in certain businesses, professions, occupations, trades, vocations and commercial activities therein; providing for its levy and collection; conferring and imposing powers and duties on the Board of Public Education, receiver of school taxes and school treasurer in such districts; and prescribing penalties," reenacted and amended May 10, 1951 (P. L. 265), and amended July 17, 1957 (P. L. 961), is amended to read:

Clause 5), section 1, act of May 23, 1949, P. L. 1669, reenacted and amended May 10, 1951, P. L. 265, and amended July 17, 1957, P. L. 961, further amended.

Section 1. Definitions.—The following words and phrases when used in this act shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

* * * * *

(5) "Receipts." Cash, credits, property of any kind or nature, received in or allocable to a school district of the first class from any business or by reason of any sale made, including resales of goods, wares or merchandise taken by a dealer as a trade-in or as part payment for other goods, wares or merchandise or services rendered or commercial or business transaction had within a school district of the first class, without deduction therefrom on account of the cost of property sold, materials used, labor, service, or other cost, interest or discount paid, or any other expense. "Receipts" shall exclude (a) the amount of any allowance made for goods, wares or merchandise taken by a dealer as a trade-in or as part payment for other goods, wares and merchandise in the usual and ordinary course of his business; (b) in the case of a financial business, the cost of securities and other property sold, exchanged, paid at maturity, or redeemed, and moneys or credits received in repayment of advances, credits and loans, but not to exceed the principal amount of such advances, credits and loans, and shall also exclude deposits, and in the case of building and loan or savings and loan associations, payments received on account of shares purchased by shareholders; (c) in the case of a broker, any commissions paid by him to another broker on account of a purchase or sales contract initiated, executed or cleared in conjunction with such other broker; (d) the receipts or the portion thereof attributable to any sale involving the bona fide delivery of goods, commodities, wares or merchandise of the taxpayer's own manufacture, growth or produce, to a location regularly maintained by the other party to the transaction outside the limits of such school district, and not for the purpose of evading or avoiding payment of the tax or any portion thereof imposed under this act; (e) in the case of a person who at the execution of a contract for the sale in a natural state of the produce of a mine does not have title thereto and does not at any time take possession thereof, the cost to him of the produce of a mine covered by the contract; (f) receipts by dealers from sales to other dealers in the same line, where the dealer transfers title or possession at the same price for which he acquired the goods, wares or merchandise. For the purpose of determining taxable receipts from sales made by a manufacturing corporation of goods commodities, wares and merchandise of its own manufacture through a wholly owned distributing corpo-

ration, such sales shall be treated as if made directly by the manufacturing corporation to the vendees of the distributing corporation. For the purpose of determining taxable receipts from sales made by a manufacturing corporation of goods, commodities, wares and merchandise of its own manufacture made through a distributing corporation, such sales shall be treated as if made directly by the manufacturing corporation to the vendees of the distributing corporation, if a majority of the shares of stock of both the manufacturing corporation and the distributing corporation is owned by the same individual, association or corporation. For the purpose of determining receipts from the business of insurance, such receipts shall mean those from premiums received from risks within the school district of the first class, whether by mutual or stock companies, domestic or foreign, without any deductions therefrom for any cost or expense whatsoever. The collector shall determine from such data as he shall require from insurance companies subject to this act, the amount of such receipts, and shall ascertain the amount of the tax in accordance with such determination. "Receipts" shall exclude the cost of the commodity at its source in the case of a person who is a wholesale dealer in grain, butter, eggs, fruit or produce in its natural state. "Receipts" shall exclude the cost of the commodity at its source in the case of a person who is a wholesale dealer in fresh meats produced by such person by the slaughter of cattle, hogs and sheep. "Receipts" shall exclude the cost of the commodity at its source in the case of a person who is a wholesale dealer in "dressed poultry." "Dressed poultry" means poultry which has been slaughtered for human food from which the blood and feathers have been removed either with head, feet and viscera intact or removed. "Receipts" shall exclude in the case of a person who is a wholesale dealer and who, at the execution of a contract for the sale of rough or planed lumber sawn from logs, does not have title thereto and does not at any time take possession thereof, the cost to him of such lumber at its source covered by the contract. "Receipts" shall exclude in the case of a person who is a wholesale dealer and who, at the execution of a contract for the sale of cotton spun yarn, does not have title thereto and does not at any time take possession thereof, the cost to him of such cotton spun yarn covered by the contract at its source. "Receipts" shall exclude in the case of a person who is a wholesale dealer and who, at the execution of a contract for the sale of grain in a natural or milled state but unmixed and undiluted, does not have title thereto and does not at any time take possession thereof, the cost to him of such grain covered by the contract at its source. "Receipts" shall exclude the cost of the commodity at its source in the

case of a person who is a wholesale dealer in cheese. "Receipts" shall exclude the cost of the commodity at its source in the case of a person who is a wholesale dealer in tobacco and tobacco products, and is a duly appointed cigarette stamp affixing agent under the act of July 8, 1957 (P. L. 594), known as the "Pennsylvania Cigarette Tax Act of 1957."

The provisions of this amendatory act which refer to the computation of receipts by wholesale dealers in tobacco and tobacco products, dressed poultry, rough or planed lumber, cotton spun yarn, cheese and grain are hereby made retroactive to January 1, 1950. No refunds of taxes, interest or penalties paid prior to the date of the enactment of this act shall be made as a result of the amendments herein contained.

APPROVED—The 30th day of December, A. D. 1959.

DAVID L. LAWRENCE

No. 760

AN ACT

Amending the act of June 27, 1947 (P. L. 1046), entitled "An act providing for equalization of assessed valuations of real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts; creating a State Tax Equalization Board; and prescribing its powers and duties; imposing duties on certain local officers, agents, boards, commissions and departments; and making an appropriation," eliminating the provision making the decision of the board final, requiring the board to make a written finding of fact and providing for biennial certification of market values in odd numbered years, and further regulating appeals and certifications.

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

Section 1. Clause (3) of section 7 and section 13, act of June 27, 1947 (P. L. 1046), entitled "An act providing for equalization of assessed valuations of real property throughout the Commonwealth for use in determining the amount and allocation of Commonwealth subsidies to school districts; creating a State Tax Equalization Board; and prescribing its powers and duties; imposing duties on certain local officers, agents, boards, commissions and departments; and making an *appropriation," are amended to read:

Section 7. General Powers and Duties of the Board.—The board shall have the power and its duties shall be—

* * * * *

* "appropriation" in original.

State Tax
Equalization
Board.

Clause (3),
section 7, and
section 13, act
of June 27,
1947, P. L. 1046,
amended.