

(2) The proportion of such value taxable in this Commonwealth at the rate of five mills, shall be determined by applying to such value a fraction, the numerator of which is the sum of the corporation's gross receipts from (a) sales of its own shares to Pennsylvania investors and (b) sales of its portfolio securities where the orders for such sales are placed with or credited to Pennsylvania offices of registered securities dealers and the denominator of which fraction is the corporation's total gross receipts from (a) sales of its own shares and (b) sales of its portfolio securities. Pennsylvania investors shall mean individuals residing in Pennsylvania at the time of the sale or corporations or other entities having their principal place of business located in Pennsylvania at such time.

(3) Any regulated investment company shall have the right annually, to elect to compute its capital stock or franchise tax by applying the rate of tax of [five] six mills upon each dollar to ten percent of the capital stock value of such corporation. If exercised this election shall be in lieu of any other apportionment or allocation to which such corporation would otherwise be entitled.

Section 2. This act shall take effect immediately and the increased rate shall become effective January 1, 1967.

APPROVED—The 29th day of December, A. D. 1967.

RAYMOND P. SHAFER

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No. 407

AN ACT

HB 1157

Amending the act of June 1, 1889 (P. L. 420), entitled "A further supplement to an act entitled 'An act to provide revenue by taxation,' approved the seventh day of June, Anno Domini one thousand eight hundred and seventy-nine," increasing the rate of the tentative and annual tax imposed upon gross receipts of certain companies, limited partnerships, associations, joint-stock associations, copartnerships, municipalities and persons and granting an exemption from the tax upon gross receipts for certain municipality owned or operated public utilities or for any public utility service furnished by certain municipalities in certain cases.

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

Section 1. Section 23, act of June 1, 1889 (P. L. 420), entitled "A further supplement to an act entitled 'An act to provide revenue by taxation,' approved the seventh day of June, Anno Domini one thou-

sand eight hundred and seventy-nine," amended February 21, 1961 (P. L. 37) is amended to read:

Section 23. That every railroad company, pipe line company, conduit company, steamboat company, canal company, slack water navigation company, transportation company, and every other company, association, joint-stock association, or limited partnership, now or hereafter incorporated or organized by or under any law of this Commonwealth, or now or hereafter organized or incorporated by any other State or by the United States or any foreign government, and doing business in this Commonwealth, and every copartnership, person or persons owning, operating or leasing to or from another corporation, company, association, joint-stock association, limited partnership, copartnership, person or persons, any railroad, pipe line, conduit, steamboat, canal, slack water navigation, or other device for the transportation of freight, passengers, baggage, or oil, except taxicabs, motor buses and motor omnibuses, and every limited partnership, association, joint-stock association, corporation or company engaged in, or hereafter engaged in, the transportation of freight or oil within this State, and every telephone company, telegraph company, express company, electric light company, waterpower company, hydro-electric company, gas company, palace car company, and sleeping car company, now or hereafter incorporated or organized by or under any law of this Commonwealth, or now or hereafter organized or incorporated by any other State or by the United States or any foreign government and doing business in this Commonwealth, and every limited partnership, association, joint-stock association, copartnership, person or persons, engaged in telephone, telegraph, express, electric light and power, waterpower, hydro-electric, gas, palace car or sleeping car business in this Commonwealth, shall pay to the State Treasurer, through the Department of Revenue, a tax of fourteen mills for the six months' periods ending June thirtieth, one thousand nine hundred thirty-five; December thirty-first, one thousand nine hundred thirty-five; and June thirtieth, one thousand nine hundred thirty-six; and twenty mills for the six months' periods ending December thirty-first, one thousand nine hundred thirty-six; June thirtieth and December thirty-first, one thousand nine hundred thirty-seven; June thirtieth and December thirty-first, one thousand nine hundred thirty-eight; June thirtieth and December thirty-first, one thousand nine hundred thirty-nine; June thirtieth and December thirty-first, one thousand nine hundred forty; June thirtieth and December thirty-first, one thousand nine hundred forty-one; June thirtieth and December thirty-first, one thousand nine hundred forty-two; June thirtieth and December thirty-first, one thousand nine hundred forty-three; and fourteen mills for the six months' periods ending June thirtieth and December thirty-first, one thousand nine hundred forty-four; and for the twelve months' periods ending December thirty-first, one thousand nine hundred forty-five; December thirty-first, one thousand nine hundred forty-six; December thirty-first, one thousand nine hundred forty-

seven; December thirty-first, one thousand nine hundred forty-eight; December thirty-first, one thousand nine hundred forty-nine; December thirty-first, one thousand nine hundred fifty; December thirty-first, one thousand nine hundred fifty-one; December thirty-first, one thousand nine hundred fifty-two; December thirty-first, one thousand nine hundred fifty-three; December thirty-first, one thousand nine hundred fifty-four; December thirty-first, one thousand nine hundred fifty-five; December thirty-first, one thousand nine hundred fifty-six; December thirty-first, one thousand nine hundred fifty-seven; December thirty-first, one thousand nine hundred fifty-eight; December thirty-first, one thousand nine hundred fifty-nine; and December thirty-first, one thousand nine hundred sixty; and fourteen mills thereafter through the period ending June thirtieth, one thousand

nine hundred sixty-seven upon each dollar of the gross receipts of

said corporation, company or association, limited partnership, joint-stock association, copartnership, person or persons, received from passengers, baggage, and freight transported wholly within this State, from telegraph or telephone messages transmitted wholly within this State, from express, palace car or sleeping car business done wholly within this State, or from the sales of electric energy or gas, except gross receipts derived from sales for resale of electric energy or gas, to persons, partnerships, associations, corporations or political subdivisions subject to the tax imposed by this act upon gross receipts derived from such resale, and from the transportation of oil done wholly within this State; and twenty mills thereafter upon each dollar

of the gross receipts of said corporation, company or association,

limited partnership, joint-stock association, copartnership, person or

persons, received from passengers, baggage, and freight transported

wholly within this State, from telegraph or telephone messages trans-

mitted wholly within this State, from express, palace car or sleeping

car business done wholly within this State, or from the sales of

electric energy or gas, except gross receipts derived from the sales

for resale of electric energy or gas, to persons, partnerships, associa-

tions, corporations or political subdivisions subject to the tax im-

posed by this act upon gross receipts derived from such resale, and

from the transportation of oil done wholly within this State. The gross

receipts of gas companies shall include the gross receipts from the sale of artificial and natural gas, but shall not include gross receipts from the sale of liquefied petroleum gas. The said tax shall be paid within the time prescribed by law, and for the purpose of ascertaining the amount of the same, it shall be the duty of the treasurer or other

proper officer of the said company, copartnership, limited partnership, association, joint-stock association or corporation, or person or persons, to transmit to the Department of Revenue on or before the fifteenth day of April of each year an annual report, and under oath or affirmation, of the amount of gross receipts of the said companies, copartnerships, corporations, associations, joint-stock associations, limited partnerships, person or persons, derived from all sources, and of gross receipts from business done wholly within this State, during the period of twelve months immediately preceding the first day of January of each year. It shall be the further duty of the treasurer or other proper officer of every such corporation or association and every individual liable by law to report or pay said tax, except municipalities, to transmit to the Department of Revenue on or before the thirtieth day of April, one thousand nine hundred sixty-one, and of each year thereafter, a tentative report in like form and manner for each twelve month period beginning the first day of January, one thousand nine hundred sixty-one, and for each year thereafter, which tentative report shall set forth either:

(1) the amount of gross receipts received in the period of twelve months next preceding and reported in the annual report; or,

(2) the gross receipts received in the first three months of the current period of twelve months; and,

(3) such other information as the Department may require.

Upon the date its tentative report is required herein to be made, to the Department of Revenue on or before the thirtieth day of April,

one thousand nine hundred sixty-one, and of each year thereafter through the thirtieth day of April, one thousand nine hundred sixty-seven, the corporation, association or individual making such report shall compute and pay to the Department on account of the tax due for the current period of twelve months, at its election:

(1) not less than eleven and two-tenths mills of the dollar amount of its gross receipts reported for the entire preceding period of twelve months; or,

(2) not less than forty-four and eight-tenths mills of the dollar amount of its gross receipts received within the first three months of the current period of twelve months. Upon the date its tentative report is required herein to be made to the Department of Revenue on or before the thirtieth day of April, one thousand nine hundred and sixty-eight, and each year thereafter, the corporation, association or individual making such report shall compute and pay to the Department on account of the tax due for the current period of twelve months, at its election:

(1) not less than sixteen mills of the dollar amount of its gross receipts reported for the entire preceding period of twelve months; or,

(2) not less than sixty-four mills of the dollar amount of its gross receipts received within the first three months of the current period

of twelve months. The time for filing reports may be extended,

estimated settlements may be made by the Department of Revenue if reports are not filed, and the penalties for failing to file reports and pay the tax shall be as prescribed by the laws defining the powers and duties of the Department of Revenue: Provided, That in any case where the works of any corporation, company copartnership, association, joint-stock association, limited partnership, person or persons are operated by another corporation, company, copartnership, association, joint-stock association, limited partnership, person or persons, the taxes imposed by this section shall be apportioned between the said corporations, companies, copartnerships, associations, joint-stock associations, limited partnerships, person or persons in accordance with the terms of their respective leases or agreements, but for the payment of the said taxes the Commonwealth shall first look to the corporation, company, copartnership, association, joint-stock association, limited partnership, person or persons operating the works, and upon payment by the said company, corporation, copartnership, association, joint-stock association, limited partnership, person or persons of a tax upon the receipts, as herein provided, derived from the operation thereof, no other corporation, company, copartnership, association, joint-stock association, limited partnership, person or persons shall be held liable under this section for any tax upon the proportion of said receipts received by said corporation, company, copartnership, association, joint-stock association, limited partnership, person or persons for the use of said works.

This act shall be construed to apply to municipalities, and to impose a tax upon the gross receipts derived from any municipality owned or operated public utility or from any public utility service furnished by any municipality, except that gross receipts [from other than sales of gas] shall be exempt from the tax, to the extent that such gross receipts are derived from business done inside the limits of the municipality, owning or operating the public utility or furnishing the public utility service.

Section 2. This act shall take effect immediately and the increased rate of tax shall apply to the period beginning July 1, 1967 and ending December 31, 1967 and to each year thereafter: Provided, That the exemption from the tax upon gross receipts provided by this amendment for any municipality owned or operated public utility or from any public utility service furnished by any municipality shall not take effect until July 1, 1968.

APPROVED—The 29th day of December, A. D. 1967.

RAYMOND P. SHAFER

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No. 408

AN ACT

HB 1278

Amending the act of July 15, 1897 (P. L. 292), entitled "An act to provide revenue by taxation," increasing the rate of the tentative and annual tax on shares of capital stock of banks and savings institutions.

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

Section 1. Clause 1 of section 1, act of July 15, 1897 (P. L. 292), entitled "An act to provide revenue by taxation," amended February 21, 1961 (P. L. 41), is amended to read:

Section 1. Be it enacted, &c., That from and after the passage of this act,

1. Every bank or savings institution having capital stock, incorporated by or under any law of this Commonwealth or under any law of the United States, and located within this Commonwealth, shall, on or before the fifteenth day of April in each and every year up to and including the year one thousand nine hundred sixty-one, make to the Department of Revenue a report in writing, verified as required by law, setting forth the full number of shares of the capital stock subscribed for or issued, as of the preceding thirty-first day of December, by such bank or savings institution having capital stock, and the actual value thereof as of the preceding thirty-first day of December, which actual value shall be ascertained as hereinafter provided. For the calendar year beginning the first day of January, one thousand nine hundred sixty-one, and each year thereafter, such bank or savings institution having capital stock shall, on or before the fifteenth day of April of the year one thousand nine hundred sixty-one, and of every year thereafter, make to the Department of Revenue a report, in writing, verified as required by law, setting forth the full number of shares of the capital stock subscribed for or issued, as of the preceding first day of January, by such bank or savings institution having capital stock, and the actual value thereof as of the preceding first day of January, which actual value shall be ascertained as hereinafter provided. It shall be the duty of the Department of Revenue to assess such shares for taxation for the calendar years