

LAWS  
OF THE  
COMMONWEALTH OF PENNSYLVANIA

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No. 1  
AN ACT

To amend the act, approved the ninth day of April, one thousand nine hundred twenty-nine (Pamphlet Laws, three hundred forty-three), entitled "An act relating to the finances of the State government; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," as amended, by requiring certain taxes heretofore settled by the Department of Revenue to be paid concurrently with the filing of the tax reports; further defining and modifying the due date of, and the interest penalty on, certain taxes; further defining the powers and duties of the Department of Revenue in the settlement, resettlement, and collection of certain taxes, and the lien of the Commonwealth for certain taxes; making further provision concerning tax reports and returns; and making further provision for the forfeiture of corporate charters for failure to file tax reports or returns.

Section 1. Be it enacted, &c., That sections 202, 203, 211, 402, 702, 704, 706, 707, 708, 709, 710, 717, 718, 719, 720, 727, 801, 805, 806, 1105, 1108, 1207, 1402, 1403, and 1704 of the act, approved the ninth day of April, one thousand nine hundred twenty-nine (Pamphlet Laws, three hundred forty-three), entitled "An act relating to the finances of the State government; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any

Fiscal Code.  
Sections 202,  
203, 211, 402,  
702, 704, 706,  
707, 708, 709,  
710, 717, 718,  
719, 720, 727,  
801, 805, 806,  
1105, 1108,  
1207, 1402,  
1403, and 1704,  
act of April 9,  
1929 (P. L.  
343), as  
amended, further  
amended.

agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," are hereby amended or further amended, as the case may be, to read as follows:

Section 202. Settlement and Collection of State Taxes.—The Department of Revenue shall have the power, and its duty shall be—

(a) To settle and collect all taxes, penalties, and interest, which are now settled and collected by the Auditor General, or by the Auditor General and State Treasurer;

(b) To settle and collect, from partnerships organized within this Commonwealth, the bonus imposed by law on increases of their capital stock;

(c) To settle and collect, from corporations, limited partnerships, or joint-stock associations, chartered or created by or under the laws of any other State, or of the United States, or of any foreign country, the bonus imposed by law upon the amount of their capital actually employed or to be employed wholly within this Commonwealth, and upon each subsequent increase of capital so employed;

(d) To settle and collect the capital stock [tax] and franchise taxes imposed by law upon [the capital stock of] corporations, or interests in joint-stock associations, limited partnerships, and companies;

(e) To settle and collect the capital stock tax imposed by law upon the capital stock of corporations, or interests in joint-stock associations, limited partnerships, and companies, incorporated or organized for the purpose of distilling liquors and selling the same at wholesale;

(f) To settle and collect the tax imposed by law upon the scrip, bonds, and certificates and evidences of indebted-

edness, issued or assumed by private corporations, or upon which such corporations pay interest;

(g) To settle and collect from the treasurers of each county, city, borough, school district, and incorporated district, of this Commonwealth, the tax required by law to be assessed and deducted by such treasurers on the payment of any dividend or interest to any holder or agent claiming the same, on any scrip, bond or certificate of indebtedness issued by such county, city, borough, school district, or incorporated district;

(h) To settle and collect the tax imposed by law upon the gross receipts of any corporation, association, or individual, derived from business done wholly within this Commonwealth;

(i) To settle and collect the tax imposed by law upon shares of the capital stock of banks and savings institutions, located within this Commonwealth, and, for that purpose, to assess the actual value of each share of the stock of any such bank or savings institution in the manner provided by law;

(j) To settle and collect the tax imposed by law upon the shares of the capital stock of title insurance companies and trust companies, located within this Commonwealth, and, for that purpose, to assess the actual value of each share of the stock of any such title insurance company or trust company in the manner provided by law;

(k) To settle and collect the tax imposed by law upon the gross amount of the premiums, premium deposits, and assessments, received from business transacted within this Commonwealth, by insurance companies, associations, or exchanges, incorporated under the laws of this Commonwealth;

(l) To settle and collect the tax imposed by law upon full-paid, prepaid, and fully matured, or partly matured stock in building and loan associations, doing business in this Commonwealth, and, for the purpose of collecting such tax from foreign building and loan associations, to make the demand for payment heretofore made by the State Treasury;

(m) To settle and collect the tax imposed by law upon the gross receipts of private bankers;

(n) To settle and collect the tax imposed by section twenty-seven of the act, approved the first day of June, one thousand eight hundred eighty-nine, 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" (Pamphlet Laws, four hundred twenty), upon the net earnings of certain corporations and limited partnerships;

(o) To settle and collect the tonnage tax imposed by law upon the value of anthracite coal when prepared for market.

Section 203. Duties in Connection with the Collection of State Taxes Not Settled by the Department.—The Department of Revenue shall have the power and its duty shall be—

(a) To collect the tax imposed by law upon the sale or use within this Commonwealth of liquid fuels, and, in connection with the collection of such tax, to issue liquid fuel permits or licenses to dealers in, or distributors, or consumers of liquid fuels, as provided by law;

(b) To collect the tax imposed by law upon the gross premiums, received from business transacted within this Commonwealth, by stock or mutual insurance companies, associations or exchanges of another State or foreign government, authorized to do business in this Commonwealth;

(c) To collect the tax imposed by law upon the underwriting profits of insurers, organized, admitted or licensed to transact the business of marine insurance, within this Commonwealth;

(d) To collect the tax imposed by law upon insurance or reinsurance premiums from persons, corporations, copartnerships or associations, entering into contracts of insurance or reinsurance with insurance companies or associations of other States or foreign countries not registered or entitled to do business in this Commonwealth;

(e) To collect the tax imposed by law upon the gross premiums named in the policies delivered to policyholders and upon all policies procured by every person, copartnership and corporation licensed by the Insurance Department to transact business as an excess insurance broker;

(f) To collect the tax on sales or transfers of stock imposed by the act, approved the fourth day of June, one thousand nine hundred fifteen (Pamphlet Laws, eight hundred twenty-eight), entitled “An act to provide revenue by imposing a State tax upon sales, or agreements to sell, or memoranda of sales, of stock, and upon deliveries or transfers of shares or certificates of stock in domestic and foreign corporations, copartnership associations and joint-stock associations; providing the manner of collecting such tax; and prescribing penalties,” and in connection with such collection, to prescribe the form of books of account, stock certificate books, transfer ledgers or registers, to be kept by persons, corporations, copartnership associations and joint-stock companies, subject to said tax, to cause to be prepared in such form, of such denominations, and in such quantities, as it may deem advisable, and to sell stamps to persons desiring to purchase the same, to make provisions

for the sale of stamps in such places and at such times as it may deem necessary, and to be the custodian of all stamps prepared under its direction until the same shall be sold;

(g) To supervise the collection, by the registers of wills, of transfer inheritance taxes, and to exercise the powers and perform the duties hereinafter provided in connection with the collection of such taxes;

(h) To collect the transfer inheritance tax payable on estates of nonresident decedents;

(i) To prepare and cause to be printed, in such form as the department may determine, such blanks, statements, notices, and other forms, as shall be necessary for use by mercantile appraisers in performing the duties imposed upon them by law, and to supervise the work of the mercantile appraisers;

(j) *To collect the tax imposed by law upon malt or brewed beverages manufactured in this Commonwealth, or transported into this Commonwealth for sale and delivery or storage therein;*

(k) *To collect the floor tax imposed by law upon spirituous and vinous liquor lodged or stored within this Commonwealth;*

(l) *To collect the tax imposed by law upon the privilege of producing, manufacturing, distilling, rectifying, compounding, selling or using distilled spirits, rectified spirits and wines within this Commonwealth;*

(m) *To collect the taxes imposed by law upon the privilege of attending or engaging in an amusement, or upon admissions charged within this Commonwealth;*

(n) *To collect the tax imposed by law upon the sale of cigarettes within this Commonwealth;*

(o) *To collect the excise tax imposed by law upon corporations, that is measured by their net income, for the privilege of doing business within this Commonwealth;*

(p) *To collect the tax imposed by law with respect to certain documents executed, issued or delivered in this Commonwealth, that is measured by the value represented by such documents;*

(q) *To collect the tax imposed by law upon certain personal property, and interests therein, owned, held or possessed by residents of this Commonwealth;*

(r) *To collect the tax imposed by law upon liquor sold by the Pennsylvania Liquor Control Board;*

(s) *To receive from the Pennsylvania Liquor Control Board the tax imposed upon the delivery of distilled, rectified, and blended spirits to such board.*

Section 211. Agents for the Sale of Stamps.—The Department of Revenue may appoint an agent or agents for the sale of stamps, *authorized by law*, to be used in paying [the] *any* State tax, [upon agreements to sell, deliveries or transfers of shares of stock within this Com-

monwealth] and, whenever the department shall sell, consign, or deliver, to any such agent, any such stamps for sale or use, such agent shall be entitled to receive as compensation for his or its services and expenses as such agent, and to retain out of the moneys to be paid by him or it for such stamps, [a] *such* commission [of two per centum of the par value thereof] *as shall be prescribed by law*. The Department of Revenue is hereby directed and required to allow such commission or compensation in the settlement of the accounts of such agent, upon payment by him or it into the State Treasury, through the Department of Revenue, of any moneys which may be or become due to the Commonwealth by reason of the sale, delivery, or consignment to such agent of such stamps.

Section 402. Audits of Affairs of Departments, Boards and Commissions.—It shall be the duty of the Department of the Auditor General to make all audits, which may be necessary, in connection with the administration of the financial affairs of the government of this Commonwealth.

At least one audit shall be made each year of the affairs of every department, board, except the State Workmen's Insurance Board, and commission of the executive branch of the government, and all collections made by departments, boards, or commissions, and the accounts of every State institution, shall be audited quarterly.

Special audits of the affairs of all departments, boards, except the State Workmen's Insurance Board, commissions, or officers, may be made whenever they may, in the judgment of the Auditor General, appear necessary, and shall be made whenever the Governor shall call upon the Auditor General to make them.

Copies of all audits made by the Department of the Auditor General shall be promptly submitted to the Governor. [and to the Legislative Reference Bureau.]

Unless the Department of the Auditor General shall fail or refuse to make annual, quarterly, or special audits, as hereinabove required, it shall be unlawful for any other administrative department, any independent administrative board or commission, or any departmental administrative or advisory board or commission, to expend any money appropriated to it by the General Assembly for any audit of its affairs, or, in the case of departments, of any boards or commissions connected with them, except for the reimbursement of the General Fund for audits made by the Department of the Auditor General as provided by law, or for the payment of the compensation and expenses of such auditors as are regularly employed as part of the administrative staffs of such departments, boards, or commissions, respectively.

Section 702. Report on Fiscal Year Basis.—If any corporation or association [shall certify to the Department of Revenue that] *closes* its fiscal year, [closes] not upon the thirty-first day of December, but upon some other date, and [that it] reports to the United States Government as of such other date, *or would so report were it required to make a return to the United States Government, such corporation or association shall certify such fact* to the Department of Revenue [may permit such corporation or association to] *and shall* make any capital stock, *franchise*, or loans tax report or bonus report required to be made by it, or any of its officers, to the Department of Revenue, within seventy-five days after such date, subject in all other respects to the laws relating to the making of such reports and returns.

The first report made by any corporation or association changing any return or report from the calendar to the fiscal year basis shall cover the period from the last day of the calendar year for which a return or report was filed to the first day of the fiscal year, and the Department of Revenue shall settle the tax for such intervening period at the proportionate annual rate provided by law, and also settle the bonus.

Section 704. Extensions of Time.—The Department of Revenue may, upon application made to it in such form as it shall prescribe, on or prior to the last day for filing any tax report, tax return, or bonus return, grant to the person, association, or corporation, required to file such report or return, an extension of not more than sixty days within which such report or return may be filed without penalty. *The department may also, in its discretion, extend generally, for a period not exceeding fifteen days, the time within which reports or returns may be filed for any tax.*

Section 706. Bonus Reports of Foreign Corporations and Payment of Bonus.—Every corporation, limited partnership, or joint-stock association, chartered or created under the laws of any other State, or of the United States, or of any foreign country, shall make a bonus report to the Department of Revenue, before going into operation or transacting any business in this Commonwealth, and annually thereafter at the same time that such corporation, limited partnership, or joint-stock association is required by law to file with the Department of Revenue a capital stock or franchise tax [return] report. *Every such corporation, limited partnership, or joint-stock association, at the time of making every report required by this section, shall compute and pay to the department the bonus, if any, then due to the Commonwealth.*

Section 707. Capital Stock and Franchise Tax Reports and Payment of Tax.—Except in the case of cor-

porations of the first class, and cooperative agricultural associations not having capital stock and not conducted for profit, banks, savings institutions, title insurance or trust companies, building and loan associations, and foreign insurance companies, [the president, vice-president, secretary or treasurer of] every corporation, joint-stock association, limited partnership, and other company, liable to pay to the Commonwealth a *capital stock* tax upon the value of *all or a part of* its [whole] capital stock, or [upon] a *franchise tax with respect to* its capital or property employed or used in this Commonwealth, shall make, annually, a capital stock report to the Department of Revenue, on or before the fifteenth day of March, for the calendar year next preceding. With such report, shall be filed any statement necessary to enable the Department of Revenue to determine the amount of any deduction or exemption to which any such taxpayer is entitled. *Every corporation, joint-stock association, limited partnership, and other company, at the time of making every report required by this section, shall compute and pay to the department the capital stock tax or franchise tax, as the case may be, due to the Commonwealth upon or with respect to the value of its capital stock.*

Section 708. Report of Corporate Loans and *Payment of Tax*.—The treasurer of every private corporation, except corporations of the first class, and cooperative agricultural associations not having capital stock and not conducted for profit, shall report, annually, on or before the fifteenth day of March, to the Department of Revenue, the amount of indebtedness of the corporation, or assumed by it, or upon which it pays interest, owned by residents of this Commonwealth, as nearly as the same can be ascertained, and, whenever any such corporation shall make a payment of interest on any scrip, bonds, certificates and evidences of indebtedness, due and payable for prior years, it shall also be the duty of the treasurer of such corporation to report the same forthwith to the Department of Revenue, giving such information about such payment as the Department of Revenue shall require. *Every such treasurer, at the time of making every report required by this section, shall compute and pay to the department the tax due the Commonwealth upon such scrip, bonds, certificates and evidences of indebtedness, as required by law.*

Section 709. Report of Municipal Loans and *Payment of Tax*.—The treasurer of each county, city, borough, school district, and incorporated district, shall, on or before the fifteenth day of March of each year, make a return to the Department of Revenue of the amount of scrip, bonds, [or] certificates, and evidences of indebtedness, outstanding by such county, city, borough, school



district, or incorporated district, as the same existed on the first day of January, together with the rates of interest or dividends thereon at each interest or dividend paying date during the preceding year, and whenever any such county, city, borough, school district, or incorporated district, shall make a payment of interest on any scrip, bonds, certificates, and evidences of indebtedness, due and payable for prior years, it shall be the duty of the treasurer thereof to report the same forthwith to the Department of Revenue, giving such information about such payment as the department may require. *Every such treasurer, at the time of making every report required by this section, shall compute and pay to the department the tax due the Commonwealth upon such scrip, bonds, certificates and evidences of indebtedness, as required by law.*

Section 710. Gross Receipts Tax Returns and Payment of Tax.—[The treasurer or other proper officer of any] *Every* corporation or association, and [any] *every* individual liable by law to pay to the Commonwealth a tax upon the gross receipts derived from any transportation, traffic, or other business, done wholly within this Commonwealth, shall transmit to the Department of Revenue, on or before the first days of February and August of each year, a statement of the amount of such corporation's, association's, or individual's gross receipts from all sources, and gross receipts from business done wholly within the State, during the period of six months immediately preceding the first days of January and July of each year, with such other relevant information as the Department of Revenue may require. *Every such corporation, association, and individual, at the time of making every report required by this section, shall compute and pay to the department the tax due the Commonwealth upon its gross receipts for the period for which such report is made.*

Section 717. Reports by Domestic Building and Loan Associations and Payment of Tax.—Every domestic building and loan association shall annually make return to the Department of Revenue, on or before the fifteenth day of March, of the amount of its stock outstanding entitled to receive cash dividends or interest. *Every such building and loan association, at the time of making every return required by this section, shall compute and pay to the department the tax due to the Commonwealth upon its full-paid, prepaid and fully matured or partly matured stock, as required by law.*

Section 718. Report [to Department of Banking] by Foreign Building and Loan Associations [and by Department of Banking to Department of Revenue] and Payment of Tax.—Every [foreign] building and loan association, *not incorporated under the laws of this Com-*

*monwealth but doing business within this Commonwealth, shall, in the reports required to be made by it, [to the Department of Banking] make report of the amount of its stock outstanding, at the time of such reports, and held by residents of Pennsylvania, entitled to receive cash dividends or interest. [and the Department of Banking shall, on or before the fifteenth day of March of each year, certify to the Department of Revenue the amount of such stock which each such foreign building and loan association had outstanding at the time of its last report to the Department of Banking.] Every such building and loan association, at the time of making every return required by this section, shall compute and pay the tax due to the Commonwealth upon its full-paid, prepaid and fully matured and partly matured stock, as required by law.*

Section 719. Reports by Private Bankers and *Payment of Tax.*—(a) Every private banker shall, on or before the first Monday of December of each year, make a return to the Department of Revenue, setting forth the full amount of his gross receipts from commissions, discounts, abatements, allowances, and all other receipts, arising from his business during the year ending with the thirtieth day of November preceding the date of such return. *Every such private banker, at the time of making every return required by this section, shall compute and pay to the department the tax due to the Commonwealth upon his gross receipts, as required by law.*

(b) Every private banker, hereafter commencing business in this Commonwealth, whether the business be conducted by an individual, or more than one person in partnership, shall, within sixty days after commencing such business, make a report to the Department of Revenue, setting forth the name or names of the persons engaging in such business, the name under which the business is being conducted, its location, and the amount of capital invested therein.

Section 720. Reports by Corporations and Limited Partnerships Subject to Tax on Net Earnings and *Payment of Tax.*—Every incorporated company or limited partnership subject to the payment of tax on its net earnings, under section twenty-seven of the act, approved June first, one thousand eight hundred and eighty-nine (Pamphlet Laws, four hundred twenty), 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,” shall annually, upon the fifteenth day of March of each year, report to the Department of Revenue, setting forth the entire amount of net earnings or income received by such corporation or limited partnership, from all sources, during the year ending Decem-

ber thirty-first preceding: Provided, That the report due hereunder on the fifteenth day of March, one thousand nine hundred and thirty, shall be for the fourteen months' period beginning November first, one thousand nine hundred and twenty-eight. *Every such incorporated company or limited partnership, at the time of making every report required by this section, shall compute and pay to the department the tax due to the Commonwealth upon its net earnings and income, as required by law.*

Section 727. Reports [by Distributors and Consumers of Liquid Fuels] *and Certificates Relative to Other Taxes.*—All persons, associations, and corporations, shall file, with the Department of Revenue, such certificates and reports, at such dates as shall be provided in the laws providing for the imposition and payment of [a tax] *taxes* on [the]—

(a) *The sale and use of liquid fuels within this Commonwealth;*

(b) *Malt or brewed beverages manufactured in this Commonwealth, or transported into this Commonwealth for sale and delivery therein;*

(c) *The privilege of producing, manufacturing, distilling, rectifying, compounding, selling, or using distilled spirits, rectified spirits and wines in this Commonwealth;*

(d) *The privilege of attending or engaging in an amusement, or on admissions charged within this Commonwealth;*

(e) *The sale of cigarettes within this Commonwealth;*

(f) *Corporations for the privilege of doing business in this Commonwealth, measured by their net income;*

(g) *Certain personal property, and interests therein, owned, held or possessed by residents of this Commonwealth.*

Section 801. Settlements to Be Made by Department of Revenue.—(a) All [settlements of] taxes and bonus due the Commonwealth, which have heretofore been [made] *settled* by the Auditor General, or by the Auditor General and State Treasurer, shall, after the effective date of this act, be [made] *settled* by the Department of Revenue.

(b) All such settlements shall, as far as possible, be so made that notice thereof may reach the taxpayer [at least (60) days] before the end of the year succeeding the year for which the tax or bonus report or return was made or ought to have been made.

(c) All such settlements, including estimated settlements, shall be subject to audit and approval by the Department of the Auditor General, or to correction by the Board of Finance and Revenue, as hereinafter provided.

(d) If the Department of Revenue shall not be satisfied with the appraisement and valuation of capital stock, or of property or capital, located and used within this Commonwealth, *and payment of tax*, as made and returned by the officers of any corporation, joint-stock association, limited partnership, or other company, it is hereby authorized and empowered to make a valuation thereof, based upon facts contained in the report or return made by such officers, or upon any information within its possession, or that shall come into its possession, and to settle an account on the valuation thus made for taxes, bonus, penalties, and interest, due the Commonwealth.

(e) If the Department of Revenue shall not be satisfied with the correctness of the report made to it by the officers of any bank, savings institution, title insurance company or trust company, it is hereby authorized and empowered to summon the officers of such bank, savings institution, title insurance company, or trust company, to appear before it, upon notice to do so, on a day to be fixed by the department, and to bring with them the books of such bank, savings institution, title insurance or trust company, for examination, and it shall have the right to have further evidence to satisfy itself as to the correctness of the report made to it on the question of the value of the shares of stock of such bank, savings institution, title insurance company, or trust company, according to the rule provided by law.

Section 805. Due Date of Bonus and Taxes.—[(a) The bonus on the actual increase of the capital stock of a domestic corporation or partnership, and the tax on gross premiums payable by domestic and foreign insurance companies and by excess insurance brokers, shall be due and payable concurrently with the filing of the return showing the amount of such increase or tax.

(b) The amount of every other tax and of every foreign bonus settlement shall become due and payable sixty days after the date of the settlement, unless there shall be a resettlement, in which case the amount of the resettlement shall become due and payable sixty days after the date of the resettlement.]

*(a) The amount of every settlement of tax upon the shares of capital stock of every bank, savings institution having capital stock, and 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 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 en-*

*cumbrances, and every company entitled to the 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 supplement 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 hereafter approved, shall become due and payable sixty (60) days after the date of settlement.*

*(b) The amount of the malt beverage tax, the spirituous and vinous liquor floor tax, the spirituous and vinous liquor tax, the amusement or \*admission tax, the cigarette tax, the corporate net income tax, the documentary stamp tax, and the State personal property tax, shall be due and payable as provided in the acts imposing such taxes.*

*(c) The amount of all other taxes and bonus due the Commonwealth shall be due and payable upon the dates the reports or returns thereof are required by law to be made, and no extension of time for the filing of any report or return granted by the department, shall extend the date any tax or bonus shall be due and payable, except where a general extension has been granted by the department, as provided in section seven hundred four hereof.*

Section 806. Interest on Taxes and Bonus Due the Commonwealth.—[(a) In the settlement by the Department of Revenue of all accounts for taxes and foreign bonus due the Commonwealth, it shall charge interest upon the amount found due the Commonwealth, at the rate of twelve per centum per annum, from sixty days after the date of settlement until the same is paid, except where appeals have been taken from settlements made by the Department of Revenue or by the Board of Finance and Revenue as provided in this act; and any judgments recovered thereon, except where appeals have been taken as aforesaid, shall bear interest at the rate of twelve per centum per annum until paid, and, where resettlement has been made, the balances, finally found to be due the Commonwealth, shall bear interest at the rate of twelve per centum per annum from sixty days after the date of the first or original settlement.] *All tax and bonus due the Commonwealth, as provided by*

\* "admissions" in the original.

*law, shall bear interest at the rate of six per centum per annum from the date they are due and payable until sixty (60) days after settlement, and thereafter at the rate of twelve (12) per centum per annum until paid, except that any taxes or bonus due as a result of an appeal to the court of common pleas or any appellate court, shall bear interest at the rate of six (6) per centum per annum from the date such tax is due and payable until paid.* The payment of interest, as aforesaid, shall not relieve any person, association, or corporation, from any of the penalties or commissions prescribed by law for neglect or refusal to furnish reports to the Department of Revenue, or to pay any claim due to the Commonwealth from such person, association, or corporation. [Provided, That the Department of Revenue shall first have sent to such person, association, or corporation, a statement of the amount due.

(b) Interest at the rate of six per centum per annum shall be payable upon any bonus due the Commonwealth and settled by the Department of Revenue, from sixty days after the time such bonus becomes due.]

Section 1105. Authorization of Resettlement Upon Petition of the Department Which Made the Settlement.—Within [one year] *two years* after the date of any settlement or resettlement made subsequent to June first, one thousand nine hundred and twenty-nine, except such as have been appealed from, the department which made the settlement may, by petition, request the Board of Finance and Revenue to authorize a resettlement thereof, [upon the ground that it appears, from the accounts or other information in the department's possession, that the settlement or resettlement was erroneously or illegally made] and the Board of Finance and Revenue may grant the prayer of such petition and permit a resettlement to be made.

With respect to any settlement or resettlement made prior to June first, one thousand nine hundred and twenty-nine, the department which made it, or the department which has succeeded to its functions, may, at any time prior to June first, one thousand nine hundred and thirty-two, request permission of the Board of Finance and Revenue, under like circumstances, to make a resettlement, and the board may, in its discretion, grant such permission.

Whenever a resettlement shall have been authorized hereunder, the department which made the settlement shall resettle the account according to law, and shall credit or charge, as the case may be, the amount resulting from such resettlement upon the current accounts of the party with whom or with which it is made.

In the case of settlements made by the Department of Revenue, the resettlement shall be subject to approval

by the Department of the Auditor General, as in the case of original settlements, and in case of the failure of the two departments to agree, the resettlement shall be submitted to the Board of Finance and Revenue as in the case of original settlements.

In the case of settlements made jointly by the Department of the Auditor General and by the Treasury Department, either of said departments may request authority to make a resettlement hereunder, and, if such authority be granted, the resettlement shall be made by joint action of said departments as in the case of original settlements.

If a resettlement shall not be authorized hereunder within the time above prescribed, an account upon which a final discharge has been granted, shall not be opened, but shall be quieted and finally closed.

Section 1108. Payment of Accounts [after Settlement] Without Prejudice to Right of Resettlement, Review, and Appeal.—[Whenever any settlement of an account in favor of the Commonwealth for any tax, bonus, or other claim shall have been made by the Department of Revenue, and shall have become valid by approval of the Auditor General, or otherwise, any] *Any person, association, corporation, public officer, or other debtor [against whom such settlement shall have been made, believing himself, itself, or themselves aggrieved thereby] who or which is required to make to the Department of Revenue a report upon the basis of which any bonus, tax, or other charge is to be settled or assessed,* shall have the right, at any time, [thereafter] to pay to the Department of Revenue the [full] amount [of such settlement, or any part thereof] *of any bonus, tax, or other charge due or deemed by him, it, or them to be due, with interest, if any, as is then due and payable thereon,* without prejudice to his, its, or their right to present and prosecute a petition for resettlement *or redetermination* to the Department of Revenue, a petition for review to the Board of Finance and Revenue, or an appeal to the court of common pleas of Dauphin County, in the manner *and within the times* provided [in this act: Provided, That such payment shall be accompanied by a protest that the whole or any designated part of such payment is not justly and legally due, and with the payment of such interest, if any, as may then be due upon the principal sum paid] *by law.*

[If the whole or any part of such settlement, so paid under protest, shall be paid within sixty (60) days after the settlement shall have become valid, no interest or commission to the Attorney General shall be charged or collected thereon.

If such payment shall be made at any time after the expiration of sixty (60) days and within ninety (90)

days after the settlement shall have become valid, or at any time after ninety (90) days thereafter and while there is pending a petition for resettlement or a petition for review, it shall be accompanied by payment of such interest as is due and payable thereon, under the provisions of this act.

If such payment be made at any time after the Board of Finance and Revenue shall have acted upon a petition for review, and within twenty-one (21) days after an appeal has been filed in the court of common pleas of Dauphin County, it shall be accompanied with payment of interest at the rate of six per centum per annum, but without any commission to the Attorney General.]

[If] *Provided, that if* such payment be made at any time after twenty-one (21) days after an appeal has been filed in the court of common pleas of Dauphin County, it shall be accompanied with [the payment of interest at the rate of six per centum per annum and] a commission to the Attorney General at the rate fixed by this act.

Whenever the principal amount due upon a *settlement, determination, resettlement, or redetermination*, or the principal amount determined to be due upon a petition to the Board of Finance and Revenue, is less than the principal amount paid to the Department of Revenue, [under protest] and the person, association, corporation, public officer, or other debtor against whom such settlement has been made is satisfied therewith, or whenever the principal amount, due upon the final judgment entered on any appeal, is less than the principal amount paid to the Department of Revenue, [under protest] the Department of Revenue shall enter a credit in the amount of such difference to the account of such person, association, corporation, public officer, or other debtor. Such credit may be used by the person, association, corporation, public officer, or other debtor, to whose account it is entered, in payment of any tax, bonus, or other claim which may be or become due from him, it, or them, to the Commonwealth; and if all such charges have been fully paid, any remaining credit may be assigned to any other person, association, corporation, public officer, or other debtor, and such assignee may use it in payment of any such obligation to the Commonwealth.

Section 1207. [Liquid Fuels Tax] *Other Taxes.*—The Department of Revenue shall collect the liquid fuels tax, *the malt beverage tax, the spirituous and vinous liquor floor tax, the spirituous and vinous liquor tax, the amusement or admission tax, the cigarette tax, the documentary stamp tax, and the State personal property tax* as provided in the [act or] acts imposing said [tax] taxes, and the *interest and penalties, as well as the procedure for [making such collections] the appeal and col-*



*lections of and with respect to such taxes, shall be as provided in said [act or] acts in so far as they are inconsistent with the provisions of this act. All questions relating to the lien of such [tax] taxes, including the [date] dates [from] upon which such [tax] taxes shall become [a lien] liens, and [its] their right to priority of lien and payment over other liens, shall be determined by the provisions of the said [act or] acts, [and not by the provisions of] where such provisions are inconsistent with article fourteen of this act.*

Section 1402. Protection of Commonwealth Liens on Judicial Sales.—No sheriff, receiver, trustee, assignee, master, or other officer, shall sell the property or franchises of any corporation, limited partnership, or joint-stock association, without first filing with the Department of Revenue, *not less than ten (10) days prior to such sale*, a statement containing the following information—

First. Name or names of the plaintiff or party at whose instance, or upon whose account, the sale is made.

Second. The name of the corporation, limited partnership, or joint-stock association, whose property or franchise is to be sold.

Third. The time and place of sale.

Fourth. The nature of the property to be sold and the location of the same.

It shall be the duty of the Department of Revenue, after receiving notice as aforesaid, to furnish to the sheriff, receiver, trustee, assignee, master, or other officer having charge of the sale, a certified [copy or copies of] *statement of account showing all [tax] unpaid taxes, bonus, or other public accounts [settlements] on file in the department, as liens against such corporation, limited partnership, or joint-stock association, and, in the case of no liens, a certificate showing that fact, which certified [copy, copies] statement or certificate, shall be publicly read by such officer, at and immediately before the sale of the property or franchise of such corporation, limited partnership, or joint-stock association. For the services performed in accordance with the provisions hereof, the officer having charge of the sale shall receive the sum of three dollars (\$3.00), to be taxed and paid as part of the costs of sale.*

Section 1403. Protection of Commonwealth's Tax Claims in Case of Bulk Sales or Sales of Real Estate.—Every corporation, joint-stock association, limited partnership, or company, which shall sell in bulk fifty-one per centum or more of any stock of goods, wares, or merchandise of any kind, fixtures, machinery, equipment, buildings, or real estate, shall give the Department of Revenue ten days' notice of the sale prior to the completion of the transfer of such property. It shall also

be the duty of every corporation, joint-stock association, limited partnership or company to file all State tax reports with the Department of Revenue, to the date of such proposed transfer of property, and pay all taxes due the Commonwealth to said date. The seller shall present to the purchaser of such property a certificate from the Department of Revenue, showing that all State tax reports have been filed and all State taxes paid to the date of the proposed transfer. The failure of the purchaser to require this certificate shall render such purchaser liable to the Commonwealth for the unpaid taxes owing by the seller or transferer *to the date of such transfer, whether or not at that time such taxes have been settled, assessed, or determined*: Provided, [further] That nothing contained in this act shall apply to sales made under any order of court, or to any sales made by assignees for the benefit of creditors, executors, administrators, receivers, or any public officer in his official capacity, or by any officer of a court.

Section 1704. Intentional Failure of Corporate Officers to Make Reports.—If any officer or officers of any corporation or association shall intentionally have neglected or refused to make reports to the Auditor General, or to the Department of Revenue, or successively to the Auditor General and to the Department of Revenue, as required by law, for any two successive tax years, he or they shall be guilty of a misdemeanor, and, on conviction thereof, shall be sentenced to pay a fine of five hundred dollars, and undergo an imprisonment not exceeding one year, or either, at the discretion of the court.

[In any such case] *If any officer or officers of any corporation or association shall have neglected or refused to make reports to the Department of Revenue for three successive years, unless excused from so doing by said department*, the Department of Revenue shall report the fact to the Governor, *who may thereupon* [if the Governor shall be satisfied that such failure was intentional, he shall] by proclamation,

(a) In the case of a corporation or association organized under the laws of Pennsylvania, declare the charter thereof forfeited, and its charter privileges at an end, whereupon the same shall cease, end, and be determined, saving, however, the rights of the creditors and stockholders in and to any property, assets, claims, or demands, of or belonging to such corporation or association;

(b) In the case of a corporation or association organized under the laws of any other State, or of the United States, or of any foreign government, and qualified to do business within this Commonwealth, declare forfeited the right of such corporation or association to do busi-

ness within this Commonwealth, and thereupon such right shall cease, end, and be determined.

Any person or persons who shall (a) exercise or attempt to exercise any powers, privileges, or franchises, under a charter which shall have been declared forfeited hereunder, or (b) do or attempt to do any business within this Commonwealth in the name of, or for, or on account of any corporation or association, whose right to do business within this Commonwealth shall have been declared forfeited hereunder, shall be guilty of a misdemeanor, and, on being convicted thereof, shall be fined not less than one hundred dollars, or more than one thousand dollars.

Section 2. Section eleven hundred nine of the said act is\* hereby repealed, all other acts or parts of acts inconsistent with the provisions of this act are hereby repealed. Repeals.

Section 3. This act shall become effective immediately upon its final enactment, but the amendments to sections eight hundred five and eight hundred six, contained in section one of this act, shall first apply to taxes and bonus settled for the calendar year one thousand nine hundred thirty-six, or for any fiscal year ending in the calendar year one thousand nine hundred thirty-seven. When effective.

\* "are" in the original.

APPROVED—The 2d day of February, A. D. 1937.

GEORGE H. EARLE

No. 2

AN ACT

Creating the Anthracite Coal Industry Commission, defining its powers and duties; and making an appropriation.

Section 1. Be it enacted, &c., That a commission is hereby created which shall consist of five persons, to be appointed by the Governor, by and with the advice and consent of the Senate. The commission shall be known as the Anthracite Coal Industry Commission. Anthracite  
Coal Industry  
Commission.

The commission shall organize at the call of the Governor by electing a chairman, vice-chairman, and secretary. The secretary need not be a member of the commission.

The members of the commission shall receive such compensation for their services as the Governor shall fix, payable from the appropriation made by this act.

The commission shall have power to fix the compensation of the secretary, if not a member of the commission, and may employ and fix the compensation of such