

municipality. *During the time salary for temporary incapacity shall be paid by the city, borough, town or township, any workmen's compensation, received or collected by a policeman or fireman for such period, shall be turned over to such city, borough, town or township, and paid into the treasury thereof, and if such payment shall not be so made by the policeman or fireman, the amount so due the city, borough, town or township shall be deducted from any salary then or thereafter becoming due and owing.*

APPROVED—The 14th day of May, A. D. 1937.

GEORGE H. EARLE

No. 171

AN ACT

To re-enact and amend the act, approved the twenty-second day of June, one thousand nine hundred thirty-five (Pamphlet Laws, four hundred fourteen), entitled "An act to provide revenue for State purposes; imposing taxes upon certain classes of personal property; providing for the assessment, collection, and lien of the same, and the distribution of the proceeds thereof; imposing duties on executors, administrators, registers of wills, recorders of deeds, prothonotaries, and court clerks, and on persons, copartnerships, associations, banks, national banks, trust companies, and other corporations receiving deposits of money, and on certain corporations and limited partnerships; conferring powers and imposing duties on certain State officers and departments; imposing penalties; and making an appropriation," as amended, by imposing annual taxes for State purposes for two additional years; imposing taxes on ground rents; making further provision for the filing of reports, and for the assessment and collection of said taxes, and penalties and interest thereon; and modifying and further defining certain exemptions from said taxes.

Section 1. Be it enacted, &c., That the act, approved the twenty-second day of June, one thousand nine hundred thirty-five (Pamphlet Laws, four hundred fourteen), entitled "An act to provide revenue for State purposes; imposing taxes upon certain classes of personal property; providing for the assessment, collection, and lien of the same, and the distribution of the proceeds thereof; imposing duties on executors, administrators, registers of wills, recorders of deeds, prothonotaries, and court clerks, and on persons, copartnerships, associations, banks, national banks, trust companies, and other corporations receiving deposits of money, and on certain corporations and limited partnerships; conferring powers and imposing duties on certain State officers and departments; imposing penalties; and making an appropriation," as amended, is hereby re-enacted,

To re-enact and
amend, act of
June 22, 1935
(P. L. 414).

amended or further amended, as the case may be, to read as follows:

Revenue.
Title.

Section 1. Short Title.—Be it enacted, &c., That this act shall be known, and may be cited, as the “State Personal Property Tax Act.”

Definitions.

Section 2. Definitions.—The following words, terms, 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:

“Department.” The Department of Revenue of this Commonwealth.

“Resident.” A person, copartnership, or unincorporated association or company, resident, located, or liable to taxation within this Commonwealth, or a joint-stock company or association, limited partnership, bank or corporation, formed, created, or incorporated by, under, or in pursuance of, any law of this Commonwealth or of the United States or of any other state or government, and liable to taxation within this Commonwealth.

The singular shall include the plural, and the masculine shall include the feminine and the neuter.

Section headings shall not be deemed or construed to limit the text of the sections of this act.

Taxation of
personal
property.

Section 3. *State Tax on Mortgages, Judgments, Et Cetera; Imposition and Rate of Tax; Exceptions.*—All personal property of the classes hereinafter enumerated, owned, held or possessed by any resident, whether such personal property be owned, held or possessed by such resident in his own right, or as active trustee, agent, attorney-in-fact, or in any other capacity for the use, benefit or advantage of any other person, copartnership, unincorporated association, company, joint-stock company or association, limited partnership, bank or corporation, and the equitable interest in any such personal property of the classes hereinafter enumerated, owned, held or possessed by any resident, where the legal title to such personal property is vested in a trustee, agent, or attorney-in-fact domiciled in another state, and where such resident is entitled to receive all or any part of the income therefrom, is hereby made taxable, annually, for State purposes, at the rate of four mills on each dollar of the value thereof, as of a date to be fixed annually, in the manner provided in section five of this act, and no failure to assess or return the same shall discharge such owner or holder thereof from liability therefor; that is to say,—

Rate.

Subjects of
taxation.

All mortgages; *all ground rents*; all moneys owing by solvent debtors, whether by promissory note, or penal or single bill, bond or judgment; all articles of agreement and accounts bearing interest; all public loans whatsoever, except those issued by this Commonwealth

or the United States, and those made taxable for State purposes *by section seventeen hereof*; all loans issued by any corporation, association, company, or limited partnership, created or formed under the laws of this Commonwealth or of the United States, or of any other state or government, including car-trust securities and loans secured by bonds or any other form of certificate or evidence of indebtedness, whether the interest be included in the principal of the obligation or payable by the terms thereof, except such loans as are made taxable for State purposes by section [eighteen] *seventeen* hereof; all shares of stock in any bank, corporation, association, company, or limited partnership, created or formed under the laws of this Commonwealth or of the United States, or of any other state or government, except shares of stock in any bank, bank and trust company, national banking association, savings institution, [building and loan association] corporation, or limited partnership, liable to a tax on its shares or [its capital stock] *a capital stock or franchise tax* for State purposes under the laws of this Commonwealth; [or relieved from the payment of tax on its shares or capital stock for State purposes by the laws of the Commonwealth] all moneys loaned or invested in other states, territories, the District of Columbia, or foreign countries; all other moneyed capital [in the hands of] *owing to* individual citizens of the State; [all stages, omnibuses, hacks, cabs, and other vehicles used in transporting passengers for hire, except steam and street passenger railway cars, owned, or used, or possessed within this Commonwealth by any person or persons, or by any corporate body or bodies] *and the principal value of* all annuities: [yielding annually over two hundred dollars (\$200.00)] Provided, That this section shall not apply to bank notes or notes discounted or negotiated by any bank or banking institution, savings institution, or trust company, nor to loans, shares of stock, or other securities held by bankers or brokers solely for trading purposes, nor to accounts or debit balances owing by customers of bankers or brokers in the usual courses of business, nor to interest-bearing accounts in any bank or banking institution, savings institution, *employes thrift or savings association, whether operated by employes or the employer*, or trust company: And provided *further*, That the provisions of this act shall not apply to building and loan associations *or to shares of stock issued by building and loan associations*, or to savings institutions having no capital stock, and, if at any time, either now or hereafter, any persons, individuals or bodies corporate have agreed or shall hereafter agree to issue his, their, or its securities, bonds or other evidences of indebtedness, clear of and free from the said four mills tax herein provided for,

Proviso.

Property held for trading purposes.

Proviso.

Building and loan associations, savings institutions having no capital stock.

or any part thereof, or have agreed or shall hereafter agree to pay the same, *or any part thereof*, nothing herein contained shall be so construed as to relieve or exempt him, it, or them, from paying the said four mills tax on any of the said securities, bonds, or other evidences of indebtedness, as may be held, owned by, or owing to the said savings institution having no capital stock: And provided further, That the provisions of this act shall not apply to fire companies, firemen's relief associations, life or fire insurance corporations having no capital stock, secret and beneficial societies, labor unions and labor union relief associations, and all beneficial organizations paying sick or death benefits, or either or both, from funds received from voluntary contributions or assessments upon members of such associations, societies, or unions: And provided further, That corporations, limited partnerships, and joint-stock associations, liable to [tax on capital stock] *a tax on their shares or a capital stock or franchise tax* for State purposes, shall not be required to make any report or pay any further tax, under this section, on the mortgages, bonds, and other securities owned by them in their own right; but corporations, limited partnerships, and joint-stock associations holding such securities as trustees, executors, administrators, guardians, or in any other manner, shall return and pay the tax imposed by this section upon all securities so held by them as in the case of individuals: And provided further, That none of the classes of property made taxable by this section for State purposes shall be taxed or taxable for any *other* local purpose under the laws of this Commonwealth, except for county purposes, and in cities co-extensive with counties for city and county purposes, as now provided by law: And provided further, That the provisions of this section shall not apply to personal property of the class hereinabove enumerated, [hereafter] received from any person or persons, copartnership, or unincorporated association, or company, non-resident in, or not located within, this Commonwealth, or from any joint-stock company, or association, limited partnership, bank or corporation formed, erected or incorporated by, under, or in pursuance of, any law of the United States, or of any state or government, other than this Commonwealth, and not doing business within this Commonwealth, by any person or persons, copartnership, unincorporated association, company, joint-stock company, or association, limited partnership, bank, or corporation as active trustee, agent, attorney-in-fact, or in any other capacity for the use, benefit or advantage of any person or persons, copartnership, or unincorporated association, or company, nonresident in, or not located within, this Commonwealth, or for the use, bene-

Proviso.
Application of this act.

Proviso.

Proviso.
Local taxation.

Proviso.

Trustees, agents, etc.

fit or advantage of any joint-stock company or association, limited partnership, bank or corporation formed, erected or incorporated by, under, or in pursuance of, any law of the United States or of any state or government, other than this Commonwealth, and not doing business within this Commonwealth. *Nor shall the provisions of this section apply to personal property held for the use, benefit, or advantage of any resident who shall have, in each of the ten preceding calendar years, given or contributed all of his net income to any corporation organized or operated exclusively for religious, charitable, scientific, literary or educational purposes.*

Method of measuring equitable interest.

The value of the equitable interest in any personal property, made subject to tax by this section, shall be measured by ascertaining the value of the personal property in which such resident has the sole equitable interest, or in case of divided equitable interests in the same personal property, then by ascertaining such part of the value of the whole of such personal property as represents the equitable interest of such resident therein.

Section 4. Returns and Payment of Tax.—(a) For the purpose of ascertaining the amount of tax, payable under the third section of this act, it shall be the duty of every resident, liable to pay such tax, on or before the fifteenth day of February of each year, to transmit to the department upon a form prescribed, prepared, and furnished by the department, a return in duplicate, the original under oath or affirmation, of:

Forms to be used for returns.

(1) The aggregate actual value of each *part* of the different classes of property, made taxable by the third section of this act, held, owned or possessed by such resident, as of the date fixed annually in the manner provided in section five of this act, either in his own right or as trustee, agent, attorney-in-fact, or in any other capacity for the use, benefit or advantage of any other person, copartnership, unincorporated association, company, limited partnership, joint-stock association, or corporation.

Contents of returns.

(2) The amount of interest, dividends or other income derived from each class of such property at any time during the preceding calendar year; and

(3) Such other information as may be required by the department concerning [such property] *each of the different classes of property, whether or not taxable, enumerated in the third section of this act, owned, held, or in any manner possessed by such resident.*

The duplicate unsworn return shall be forwarded by the Department of Revenue to the county commissioners, board of revision of taxes, or board for the assessment and revision of taxes, as the case may be, of the county from which the return was made for its use and information.

Failure to
secure return
form.

The failure of any taxable resident to receive or procure a return form shall not excuse him from making a return.

Sworn return.

(b) The return, so made, shall be sworn or affirmed to by the person making the same, if an individual, and in the case of copartnerships, unincorporated associations, and joint-stock associations, and companies by some member thereof, and in the case of limited partnerships and corporations by the president, chairman or treasurer thereof.

Agents may
administer the
oath.

(c) Any agent, duly authorized by the department, is hereby authorized to administer the oath or affirmation to any person or officer making the return prescribed by this section, for the taking of which oath or affirmation no charge shall be made. Any such agent, who shall make any charge for administering such oath or affirmation, shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding five hundred dollars (\$500.00) or to undergo imprisonment not exceeding one (1) year, either or both, in the discretion of the court.

Penalty for
making a
charge.

Tax payable
when the return
is required to
be filed.

(d) The tax, imposed by section three hereof, shall be due and payable when such return is required to be filed, and every resident, at the time of making every return, shall compute and pay to the department the tax due the Commonwealth by such resident.

Date when
property is to
be listed.

Section 5. Listing Date.—The department shall, on or before the fifteenth day of January, one thousand nine hundred [thirty-seven] *thirty-eight*, and annually thereafter, fix a day as of which the property, made taxable by the third section of this act, shall be listed and [assessed] *returned*. The day, so fixed, shall be between the first and the fifteenth days of the month of January, both inclusive, and the day so fixed, shall be printed or stamped on the forms for making returns of all such property. If through inadvertence, mistake, or otherwise the department fails to designate or fix such date, or if such date does not appear on the form for making return of such property, the date, as of which such property shall be listed and assessed, shall be the immediately preceding first day of January.

Section 6. [Estimated Assessment; Notice.—If any resident liable for, or believed by the department to be liable for, the tax imposed by the third section of this act, shall fail or refuse to file a return in the manner and within the time prescribed by this act, the department shall make an estimated assessment against him. The department shall promptly thereafter give, or send by mail, or otherwise, notice of such estimated assessment to such resident. At any time within thirty (30) days after notice of such estimated assessment is so given or sent, such resident may file a return under oath or

affirmation with the department, and at that time shall compute and pay to the department the tax due by him to the Commonwealth, with interest thereon at the rate of six per centum per annum from the time such property should have been returned, together with a penalty of ten per centum of the amount of the tax due. Any resident, against whom an estimated assessment is made, who shall fail or refuse to file a return and compute and pay the tax, interest and penalty in the manner and within the time provided in this section, shall have no right to appeal therefrom or to petition for a reassessment, and in any suit for the collection of a tax so assessed, shall not be permitted to set up as a defense that he owned, held or possessed no property made taxable by the third section of this act or any other matter of defense whatsoever. If any resident shall file a return before an estimated assessment is made, but not within the time required by this act, such resident at that time shall compute and pay to the department the tax due by him to the Commonwealth, with interest thereon at the rate of six per centum per annum from the time such property should have been returned, together with a penalty of ten per centum of the tax due.

Section 7. Additional] Assessment by the Department; Notice.—If any taxable resident shall fail to file a return or fail to include in any return all of his property made taxable by the third section of this act or shall fail to compute and pay the tax [thereon] due the Commonwealth as required in this act, the department shall make an [additional] assessment of tax against such resident [on] of the amount of [such omitted property] tax for which such resident is liable, or for which he is believed by the department to be liable, together with a penalty of ten per centum of such [additional assessment] tax. Promptly thereafter, the department shall give, or send by mail, or otherwise, notice thereof to such resident. If such resident is dissatisfied with the [additional] assessment so made, he may petition for a reassessment in the manner hereinafter provided.

Duty of department if all the property of taxpayer is not included in his return.

Section [8] 7. Assessments Made at any Time within Five Years.—An [additional assessment or estimated] assessment, as heretofore provided, may be made by the department at any time within five (5) years after any property owned, held or possessed, or alleged to have been so owned, held or possessed, by any resident should have been returned by him for taxation, notwithstanding he shall have paid a tax assessed on the basis of returns previously made or filed, and notwithstanding the department shall have made previous [additional or estimated] assessments against such resident. In any such case, no credit shall be given for any penalty formerly assessed and paid.

May petition for a reassessment.

Notice.

Hearings.

Time and place of hearing to be set.

Contents of petition.

Oral petition.

Petitioner may appeal from board's decision to court of common pleas.

Failure to give notice of petition for reassessment, etc.

Burden of proof.

Duties of executors, administrators, etc.

Section [9] 8. Petition for Reassessment; Appeal.—(a) Any resident, against whom an [additional] assessment is made, may petition the department for a reassessment. Notice of an intention to file such a petition or to appear and be heard shall be given to the department within ninety (90) days after notice of such [additional] assessment is given or sent by the department to the taxpayer as provided in this act. The department shall hold such hearings, [in each county] as may be necessary to hear and determine petitions for reassessment, at such places and at such times as may be determined by rules and regulations of the department, and each petitioner, who has duly notified the department of an intention to file a petition for reassessment or to appear and be heard, shall be notified by the department of the time when, and the place where such hearings shall be held. All such petitions shall set forth specifically and in detail the grounds upon which it is claimed the [additional] assessment is erroneous or unlawful, and shall be accompanied by an affidavit under oath or affirmation certifying to the correctness of the facts stated therein. If no petition for reassessment is filed with the department, the petitioner may, in lieu thereof, appear at the hearing, and present his petition orally, in which event all testimony or statements of facts shall be made under oath or affirmation.

(b) If such petitioner is dissatisfied with the action of the department on his petition for reassessment, he shall have the right to appeal to the court of common pleas of the [proper] county *where he resides*, at any time within sixty (60) days after notice of such action is given to him by the department. If any resident shall fail to give due notice of an intention to petition for reassessment and to file a petition for reassessment, or to appear and be heard after due notice of his intention to do so, or to appeal to the court of common pleas within the time and in the manner herein set forth, the right to do so shall be forever barred, and any such resident so failing shall not thereafter be permitted, in a suit for the recovery of such tax, to set up any ground of defense which might have been determined either by the department or the court of common pleas, as aforesaid. In all cases of petitions for reassessment and appeals, the burden of proof shall be on the petitioner or appellant, as the case may be, and every appeal to the court of common pleas under this section shall specify all the objections to the assessment, and any objection not specified in the appeal shall not be considered by the court.

Section [10] 9. Information at Source; Reports.—(a) The executor of every will, and the administrator of every estate, at the time of filing with the register of

wills or clerk of the orphans' court the inventory and appraisal of such estate, or of any affidavit setting forth the real and personal estate of such decedent for the purpose of determining the transfer inheritance tax imposed thereon by existing law, shall, in addition thereto, file with such register of wills or clerk of the orphans' court, a statement in duplicate, under oath or affirmation, setting forth the items included in such inventory or affidavit which may be liable to the tax imposed by the third section of this act. The register or clerk, with whom the same is filed, shall forthwith send one copy thereof to the department. It shall be the duty of the department to proceed at once to assess the tax due from such decedent, with interest [and penalties] as heretofore provided in this act, and to present a claim therefor through the Department of Justice to the orphans' court of the proper county, or to proceed by action or suit at law through the Department of Justice in any court of competent jurisdiction for the recovery thereof, or to take any or all appropriate steps or procedure necessary for the collection of such tax.

Duty of
register of wills.

(b) It shall be the duty of the recorder of deeds in each and every county in this Commonwealth to keep a daily record, separate and apart from all other records, of every mortgage or article of agreement given to secure the payment of money entered in his office for recording, which record shall set forth the following information, to wit: The date of the mortgage or agreement, the names of the parties thereto, the just sum of money secured, the precise residence of the mortgagee or person to whom interest is payable, a brief description of the real estate upon which such mortgage is secured, and the date or several dates when the said sum or portion of the said sum shall become due and payable, and a like daily record of every assignment of a mortgage or an article of agreement given to secure the payment of money, and also the number of mortgages and agreements, together with the amount of same, and the names of the parties thereto, which shall have been that day satisfied of record. For the purpose of obtaining with accuracy the precise residence of all mortgagees, assignees, and persons to whom interest is payable on articles of agreement, it shall be the duty of the recorder of deeds in each county, whenever a mortgage, assignment, or agreement given to secure the payment of money shall be presented to him for record, to refuse the same unless the mortgage, assignment, or agreement has attached thereto, and made part thereof, a certificate signed by the mortgagee, assignee, or person entitled to interest, or his duly authorized attorney or agent, setting forth the precise residence of such mortgagee, assignee, or person entitled to interest, and such certifi-

Duty of re-
corder of deeds.

Certificate of
residence.

Filing of record. cate shall be recorded with the mortgage, assignment, or agreement. Every recorder of deeds on the first Monday of each month, shall file the aforesaid daily record, or a copy thereof, with the department.

Duty of prothonotary to keep a daily record.

Contents of record.

(c) It shall be the duty of the prothonotary or clerk of the court of common pleas in each and every county in this Commonwealth, forthwith upon the passage of this act, to keep a daily record, separate and apart from all other records, of every single bill, bond, judgment, or other instrument securing a debt, entered of record in his office. Such daily record shall set forth the following information, to wit: The date of the instrument, the names of the plaintiff and defendant, together with the precise residence of the plaintiff or person to whose use such bill, bond, judgment, or other obligation to pay money is marked, whenever such residence can be ascertained, the just sum secured, and the date or several dates when the said sum or portion of the same shall become due and payable, with the further information whether any of said bonds or judgments are accompanied with mortgages, and also the number of every single bill, bond, judgment or other instrument securing a debt, together with the amount of same, and the names of the plaintiff and defendant thereto, which shall have been that day satisfied. The prothonotary or clerk of the court of common pleas shall file the aforesaid daily record, or a copy thereof, with the department on the first Monday of each month.

Filing of record.

Fees, recorders, prothonotaries, etc., are entitled to receive.

Section [11] 10. Compensation of Recorders and Prothonotaries.—The several recorders of deeds, prothonotaries, and court clerks as aforesaid, shall be entitled to receive ten cents for each and every mortgage, judgment, or lien, assignment or satisfaction thereof, reported to the department as heretofore required in this act. Such fees shall be paid by the respective county treasurers, on the presentation of proper vouchers, certified by the department, and shall be applied in like manner as other fees received by such recorders, prothonotaries, or clerks: Provided, That no fee shall be allowed in any case where the residence of any plaintiff, mortgagee, or assignee is omitted in such reports: And provided further, That the amount allowed any prothonotary or clerk or recorder of deeds, under this act, shall not exceed the sum of six hundred dollars (\$600.00) per annum.

Proviso.

Proviso.

Section [12] 11. Due Date.—All taxes, [whether a report is filed as herein required or whether an estimated or additional assessment is made by the department] *imposed by the third section of this act*, shall be due and payable on the fifteenth day of February of each year.

Section [13] 12. Interest.—The tax, imposed by the third section of this act, shall bear interest at the rate of [twelve] *six* per centum per annum from the date such tax is due and payable until *thirty (30) days after the department shall make an assessment, and thereafter at the rate of twelve per centum per annum until* paid, except that any tax found due, as the result of an appeal to the court of common pleas or any appellate court, shall bear interest at the rate of six per centum per annum from the date the tax was originally due and payable until paid.

Rate.

Exception.

Section [14] 13. Lien of Taxes.—(a) All taxes, imposed under the third section of this act, together with all penalties and interest, shall be considered a public account after becoming due and payable in the manner prescribed in this act, and as such shall be a lien upon the franchises and real property of the resident against whom the same are assessed, after the same has been entered and docketed of record by the prothonotary of the county where the resident's franchises or property are situated.

Taxes, and the penalties and interest are a lien on real property and franchises.

(b) The department may at any time transmit to the prothonotaries of the respective counties of the Commonwealth, to be by them entered of record, certified copies of all liens for taxes, imposed by the third section of this act, and penalties and interest, upon which record, it shall be lawful for writs of scire facias to issue and be prosecuted to judgment and execution in the same manner as such writs are ordinarily employed.

Certified copies to be entered in records.

Writs of execution.

Section [15] 14. Credits for Overpayment.—The Board of Finance and Revenue may allow a credit for any taxes, imposed by the third section of this act, and penalties and interest thereon, paid to the Commonwealth, [and] to which the Commonwealth is not rightfully or equitably entitled. Claims for such credits shall be made in accordance with the provisions of "The Fiscal Code" relative to petitions for refunds of taxes. No petition for such credit shall be considered by the board, unless filed with the board within two (2) years of the payment alleged to have been erroneously made.

Time limit.

Upon the allowance of any such petition, the credit, so determined, may be applied against any amount due, or subsequently becoming due, by such petitioner on account of taxes imposed by the third section of this act, and penalties and interest thereon, or may be assigned in whole or in part to any other taxable resident, to be applied against any amount due, or subsequently becoming due, by such resident on account of taxes imposed by the third section of this act, and penalties and interest thereon. Upon the allowance of a petition for credit, the board shall issue its certificate under its hand and

Credit may be applied against moneys due.

Certificate of allowance.

seal, and no credit claimed, whether assigned or not, shall be allowed unless evidenced by such certificate.

Penalties for
violations of
this act.

Section [16] 15. Penalties, Costs.—(a) Every person or officer, who shall wilfully and corruptly make a false and fraudulent return of property, made taxable by the third section of this act, shall be guilty of wilful and corrupt perjury, and, upon conviction thereof, shall be subject to punishment as provided by law.

(b) Any wilful failure on the part of recorders of deeds or prothonotaries or clerks to carry out the duties, imposed upon them by section [ten] *nine* of this act, shall be deemed a misdemeanor, and, upon conviction thereof, the person or persons so failing to comply, shall be sentenced to pay a fine not exceeding five hundred dollars (\$500.00) or to undergo imprisonment not exceeding one (1) year, or both, in the discretion of the court.

(c) Every register of wills, who shall fail to send copies of affidavits filed with him by executors or administrators to the department, as required by section [ten] *nine* of this act, shall be guilty of a misdemeanor, and, upon conviction thereof, the register, so failing, shall be sentenced to pay a fine not exceeding five hundred dollars (\$500.00) or to undergo imprisonment not exceeding one (1) year, or both, in the discretion of the court.

(d) Every executor or administrator, who *wilfully* fails to file the affidavit with the register of wills, as required by section [ten] *nine* of this act, shall be subject to a penalty of twenty-five dollars (\$25.00) for the first day, and ten dollars (\$10.00) for each succeeding day during which such affidavit is not filed, to be collected by the department through the Department of Justice, in the same manner as debts are by law collected.

(e) Whenever any person acting for, or on behalf of, the department shall in good faith institute legal proceedings for any violations of the provisions of this act, and for any reason shall fail to recover costs of record, such costs shall be a charge upon the proper county, as shall such costs in the event defendant is imprisoned for failure to pay fine or costs, or both, and shall be audited and paid as are costs of like character in said county.

Department
charged with
the enforcement.

Section [17] 16. Enforcement; Rules and Regulations; Inquisitorial Powers of the Department.—(a) The department is hereby charged with the enforcement of the provisions of this act and is hereby authorized and empowered to prescribe, adopt, promulgate, and enforce rules and regulations relating to any matter or thing pertaining to the administration and enforcement of the provisions of this act, and the collection of taxes, penalties, and interest imposed by this act.

(b) The department or any agent authorized, in writing, by it, is hereby authorized to examine the books, papers, and records of any resident in order to verify the accuracy of any return made, or if no return was made, to ascertain and assess the tax imposed by the third section of this act. Every such resident is hereby directed and required to give to the department, or its duly authorized agent the means, facilities, and opportunity for such examinations and investigations as are hereby provided and authorized. The department is hereby authorized to examine any person under oath concerning any property which was, or should have been, returned for taxation, and to this end may compel the production of books, papers, and records, and the attendance of all persons, whether as parties or witnesses, whom it believes have knowledge of such property. The procedure for such hearing or examination shall be the same as that provided by "The Fiscal Code" relating to inquisitorial powers of fiscal officers.

Right to examine books, records, etc.

May examine persons.

Procedure.

Any information gained by the department as a result of any returns, investigations, hearings, or verifications required or authorized by this act, and any information gained by the county commissioners, board of revision of taxes, or board for the assessment and revision of taxes, as the result of duplicate returns received from the department, shall be confidential, except for official purposes, and any person or agent divulging such information shall be deemed guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not in excess of five hundred dollars (\$500.00) or to undergo imprisonment for not more than three (3) years, or both, in the discretion of the court.

Information to be confidential.

(c) The powers conferred by this act upon the department, relating to the administration or enforcement of this act, shall be in addition to, but not exclusive of, any other powers heretofore or hereafter conferred upon the department by law.

Section [18] 17. *State Tax on Scrip, Bonds, Et Cetera; Imposition and Rate of Tax.*—All scrip, bonds, certificates, and evidences of indebtedness issued, and all scrip, bonds, certificates, and evidences of indebtedness assumed, or on which interest shall be paid by any and every private corporation, incorporated or created under the laws of this Commonwealth, or the laws of any other state or of the United States and doing business in this Commonwealth *and having a resident corporate treasurer therein*, are hereby made taxable for State purposes *at the rate of eight mills on each dollar of the nominal value thereof, during the calendar years one thousand nine hundred thirty-eight and one thousand nine hundred thirty-nine, on reports filed for the calendar years one thousand nine hundred thirty-seven and one thou-*

Scrip, bonds, etc.

Rate.

sand nine hundred thirty-eight, or for any fiscal year beginning in the calendar years one thousand nine hundred thirty-seven and one thousand nine hundred thirty-eight, and at the rate of four mills on each dollar of the nominal value thereof during the calendar years one thousand nine hundred forty, and every year thereafter, on reports filed for the calendar years one thousand nine hundred thirty-nine (or for any fiscal year beginning in the calendar year one thousand nine hundred thirty-nine), and for every year thereafter, and all scrip, bonds, certificates and evidences of indebtedness issued and all scrip, bonds, certificates and evidences of indebtedness assumed or on which interest shall be paid by any county, city, borough, township, school district or incorporated district of this Commonwealth, are hereby made taxable for State purposes at the rate of four mills on each dollar of the nominal value thereof during the calendar year one thousand nine hundred [thirty-six] thirty-eight, and every year thereafter, on reports filed for the calendar year one thousand nine hundred [thirty-five] thirty-seven, or for any fiscal year beginning in the calendar year one thousand nine hundred [thirty-five] thirty-seven, and for every year thereafter: [at the rate of one mill on each dollar of the nominal value thereof, and during the calendar year one thousand nine hundred thirty-seven, on reports filed for the calendar year one thousand nine hundred thirty-six, or the fiscal year beginning in the calendar year one thousand nine hundred thirty-six, at the rate of four mills on each dollar of the nominal value thereof, which tax shall be in addition to the tax imposed for State purposes by section seventeen of the act, approved the seventeenth day of June, one thousand nine hundred and thirteen (Pamphlet Laws, five hundred seven), and its amendments or supplements] Provided, That whenever, under the provisions of this section, any private corporation shall become liable for such taxes upon evidences of indebtedness by it assumed, or on which it shall pay interest, it shall be the duty of such corporation not later than ten (10) days thereafter, to give notice, in writing, to any person who may, at such time, be liable for the payment of any taxes upon such evidences of indebtedness, under the provisions of the third section of this act, that the corporation has assumed such indebtedness, or the payment of the interest thereon, and will deduct and pay the taxes imposed thereon by this section. Such notice shall also be given before the first day of October of each and every subsequent year during which such corporation is liable for the payment of such interest. Where any private corporation shall assume such evidences of indebtedness, or the payment of interest thereon, prior to the first day of October in

Proviso.

Where private corporation assumes payments.

Notice.

Where assumed prior to October 1.

any year, and shall give notice, as hereinbefore provided, such corporation shall be relieved from the duty of deducting and paying the taxes imposed by this section for the balance of such year; but shall deduct and pay said taxes for the ensuing year, and the person, to whom such notice shall be given, shall, for such ensuing year, be relieved from the payment of tax, under the provisions of the third section of this act, upon such evidences of indebtedness so assumed, or on which the corporation shall pay interest. Where any private corporation shall assume such evidences of indebtedness or the payment of interest thereon, on or subsequent to the first day of October in any year, and shall give the notice, as hereinbefore provided, such corporation shall be relieved from the duty of deducting and paying the tax upon such evidences of indebtedness by it assumed or on which it shall pay interest for the balance of such year and for the ensuing year, and the person, to whom notice is so given, shall pay the tax for the period for which the corporation is relieved upon such evidences of indebtedness so assumed, or on which the corporation shall pay interest, as provided for in the third section of this act. Neglect or failure on the part of any corporation, upon assuming any evidences of indebtedness or becoming liable for the payment of interest thereon, to give the notice as herein provided and within the time prescribed, shall make such corporation liable for the payment of taxes from the time when such evidences of indebtedness are assumed, or for the entire period for which interest shall be paid. Neglect or failure to give such notice before the first day of October of each and every subsequent year, during which such corporation is liable for the payment of such interest, shall make the corporation liable for such taxes for the year following without any deduction from interest due as hereinbefore provided: Provided, That this section shall not apply to bank notes or notes discounted or negotiated by any bank or banking institution, savings institution or trust company, nor to interest-bearing accounts in any bank, banking institution, savings institution, *employes' thrift or savings association, whether operated by employes or the employer*, or trust company: And provided further, That the provisions of this act shall not apply to building and loan associations or to savings institutions having no capital stock, and if at any time either now or hereafter, any persons, individuals, or bodies corporate have agreed or shall hereafter agree to issue his, their or its securities, bonds or other evidences of indebtedness, clear of and free from the [said four mills] tax, [herein] or any part thereof, provided for in this act, or in the act approved the seventeenth day of June, one thousand nine hundred thirteen (*Pamphlet Laws, five*

Neglect to give notice.

Proviso.

Interest-bearing accounts.

Proviso.

Building and loan associations, etc.

hundred seven), or have agreed or shall hereafter agree to pay the same, nothing herein contained shall be so construed as to relieve or exempt him, it or them, from paying the [said four mills] tax *imposed herein* on any of [the said] such securities, bonds, or other evidences of indebtedness, as may be held, owned by, or owing to, the said savings institution having no capital stock:

Proviso.

Fire companies,
etc.

And provided further, That the provisions of this act shall not apply to fire companies, firemen's relief associations, life or fire insurance corporations having no capital stock, secret and beneficial societies, labor unions and labor union relief associations, and all beneficial organizations paying sick or death benefits, or either or both, from funds received from voluntary contributions or assessments upon members of such associations, societies, or unions: And provided further, That corporations, limited partnerships, and joint-stock associations, liable to tax on capital stock for State purposes, shall not be required to pay any further tax, under this section, on the mortgages, bonds, and other securities

Proviso.

In own right.

owned by them in their own right; but corporations, limited partnerships, and joint-stock associations holding such securities as trustees, executors, administrators, guardians, or in any other manner, shall be liable for the tax imposed by this section upon all securities so held by them as in the case of individuals: And provided further, That none of the classes of property made taxable by this section for State purposes shall be taxed or taxable for county, school, or other local purposes.

As trustees,
guardians, etc.

Proviso.

Local taxation.

It is the intent of this act that all scrip, bonds, certificates, and evidences of indebtedness, made taxable under this section, are not taxable under the third section of this act, and that only such scrip, bonds, certificates, and evidences of indebtedness, which cannot be made taxable under this section, are to be taxed under the third section of this act.

Collection.

[Section 19. Collection of Tax.—The tax for State purposes, imposed upon obligations of private and public corporations by section eighteen of this act, shall be collected in the same manner as the tax imposed for State purposes upon such obligations by section seventeen of the act, approved the seventeenth day of June, one thousand nine hundred thirteen (Pamphlet Laws, five hundred seven), and its amendments or supplements, it being the true intent and meaning of this act that the provisions of the law in force at the time of the passage of this act, relating to the manner of the collection of the State tax upon such obligations, shall remain unaffected by this act.]

Section 18. Reports and Payments of the State Tax by Private Corporations and Municipalities.—(a)

It shall be the duty of the resident treasurer of each private corporation, incorporated by or under the laws of this Commonwealth or the laws of any other state or of the United States or any foreign country, and doing business in this Commonwealth, except nonprofit corporations and cooperative agricultural associations not having capital stock and not conducted for profit, and it shall be the duty of the treasurer of each county, city, borough, township, school district or incorporated district of this Commonwealth, upon the payment of any interest on any scrip, bond, certificate or evidence of indebtedness issued or assumed by such corporation, county, city, borough, township, school district or incorporated district, or upon which it is liable for the payment of the interest to residents of this Commonwealth and held by them, to assess the tax imposed for State purposes by the seventeenth section of this act, upon the nominal value of each such scrip, bonds, certificates or evidences of indebtedness, and to report, under oath or affirmation, annually, on or before the fifteenth day of March, for the calendar year next preceding, to the department, the amount of such indebtedness owned, held or in any manner possessed by residents of this Commonwealth, together with such information as the department may require: Provided, That such scrip, bonds, certificates and evidences of indebtedness shall be deemed to be owned, held or possessed by residents of this Commonwealth, unless it is established that they are not so owned, held or possessed, and it shall be his further duty to deduct the tax, imposed by the seventeenth section of this act, on the payment of any interest upon such indebtedness and return the same to the State Treasury, through the department, within the time prescribed by law, and his compensation for his services shall be five per centum on the first one thousand dollars (\$1,000.00), or fractional part thereof, one per centum on all amounts over one thousand dollars (\$1,000.00) and not over two thousand dollars (\$2,000.00), and one-half of one per centum on all amounts over two thousand dollars (\$2,000.00). Upon the payment of said State tax, such scrip, bonds, certificates or evidences of indebtedness shall be exempt from all other taxation in the hands of the holder of the same.

The time for filing reports may be extended, taxpayers may be permitted to file their reports on a fiscal year basis, and the procedure and penalties in case of failure to report and pay the tax shall be as prescribed by law.

(b) It is the intent and meaning of this act that the tax for State purposes, imposed upon obligations of private and public corporations by section seventeen of this act, shall be collected in the same manner as the

tax heretofore imposed for State purposes upon such obligations.

Taxes and interest to be paid into State Treasury.

[Section 20. Disposition of Tax, Interest, Fees, Fines, Forfeitures, and Penalties.—All taxes and interest that shall be received, recovered, paid, or collected, under the provisions of this act, shall be paid into the State Treasury through the department.

Money paid into treasury during first year to be used for unemployment relief.

All moneys paid into the State Treasury from taxes for the first year for which a tax is imposed by the provisions of this act, shall be used only for unemployment relief purposes and for such purposes are hereby appropriated, and all moneys paid into the State Treasury during the second year this act is in effect shall be credited to the General Fund.]

Moneys from second years' receipts shall be credited to General Fund.

Constitutional provision.

Section [21] 19. Constitutional Construction.—If any section, sentence, clause or part of this act is for any reason held to be unconstitutional, the decision of the court shall not affect or impair any of the remaining provisions of this act. It is hereby declared as the legislative intent that this act would have been adopted had such unconstitutional sentence, section, clause, or part thereof, not been included herein.

Section [22] 20. [Effect on Other Acts of Assembly.—Nothing contained in this act shall be deemed to repeal or modify the act, approved the seventeenth day of June, one thousand nine hundred thirteen (Pamphlet Laws, five hundred seven), entitled “An act to provide revenue for State and county purposes, and, in cities coextensive with counties, for city and county purposes; imposing taxes upon certain classes of personal property; providing for the assessment and collection of the same; providing for the duties and compensation of prothonotaries and recorders in connection therewith; and modifying existing legislation which provided for raising revenue for State purposes,” and its amendments or supplements. The taxes imposed by this act shall be in addition to all other taxes which are now or hereafter imposed by law.] *Repealer and Saving Clause.—(a) All acts or parts of acts inconsistent with the provisions of this act are hereby repealed, but the provisions of this act, so far as they are the same as those of existing laws, shall be construed as a continuation of such laws and not as new enactments.*

Repeals and savings clause.

(b) Sections seventeen and eighteen of the act, approved the seventeenth day of June, one thousand nine hundred thirteen (Pamphlet Laws, five hundred seven), entitled “An act to provide revenue for State and county purposes, and, in cities coextensive with counties, for city and county purposes; imposing taxes upon certain classes of personal property; providing for the assessment and collection of the same; providing for the duties and compensation of prothonotaries and re-

corders in connection therewith; and modifying existing legislation which provided for raising revenue for State purposes," and their amendments, are hereby repealed, but this act shall not be construed to repeal any of the remaining provisions of said act.

(c) Nothing herein contained shall be construed as reviving any act repealed by the act which this act repeals, and the passage of this act shall not be taken or construed to relieve any person, association or corporation from the payment of any taxes, penalties and interest imposed by section seventeen of the said act of June seventeenth, one thousand nine hundred and thirteen (Pamphlet Laws, five hundred seven), on reports filed for the calendar year one thousand nine hundred thirty-six, or for any fiscal year beginning in the calendar year one thousand nine hundred thirty-six and prior years, or from any taxes, penalties and interest imposed by the provisions of any act, or parts of acts, in force at the time this act becomes effective, or to affect or terminate any petitions, investigations, prosecutions, legal or otherwise, or other proceedings pending under the provisions of any act, or parts of acts, in force at the time this act becomes effective, or repealed by this act, or to prevent the commencement or further prosecution of any legal proceedings by the proper authorities of the Commonwealth for violations of such acts, or for the collection or recovery of taxes, penalties and interest due or owing to the Commonwealth under such acts.

Section [23] 21. Effective Date.—This act shall become effective immediately upon its final enactment, and [shall remain] *be* in force for the assessment and collection of taxes under section three of this act, for the calendar [years one thousand nine hundred and thirty-six, at the rate of one mill on each dollar of the value thereof, and one thousand nine hundred and thirty-seven, at the rate of four mills on each dollar of the value thereof] *years one thousand nine hundred thirty-eight and one thousand nine hundred thirty-nine*, and for the collection of taxes under section [eighteen] *seventeen* of this act [during the calendar years one thousand nine hundred and thirty-six, at the rate of one mill on each dollar of the nominal value thereof, and one thousand nine hundred and thirty-seven, at the rate of four mills on each dollar of the nominal value thereof, on reports filed for the calendar years one thousand nine hundred and thirty-five and one thousand nine hundred and thirty-six, or for the fiscal years beginning in the calendar years one thousand nine hundred and thirty-five and one thousand nine hundred and thirty-six] *for the calendar year one thousand nine hundred thirty-eight, and every year thereafter, on reports filed for the*

Effective date.

calendar year one thousand nine hundred thirty-seven (or for any fiscal year beginning in the calendar year one thousand nine hundred thirty-seven), and for every year thereafter.

When effective.

Section 2. This act shall become effective immediately upon its final enactment.

APPROVED—The 18th day of May, A. D. 1937.

GEORGE H. EARLE

No. 172

AN ACT

To authorize cities of the third class, boroughs and townships to sue out writs of scire facias on certain municipal claims, or to proceed to judgment upon writs of scire facias issued, or to revive judgments on such claims where more than five years have elapsed since said claims were filed, such writs of scire facias were issued, or such judgments were entered or revived, and to reduce such claims to judgment, or to revive such judgment; and providing for the revival and collection of such judgments and the liens thereof.

Revival of
municipal
claims.

Section 1. Be it enacted, &c., That whenever any city of the third class, borough or township has heretofore filed in the office of the prothonotary of the proper county any municipal claim or claims, and the city, borough or township has not, within the period of five years after the date on which any such claim was filed, sued out a writ of scire facias to reduce the same to judgment, or whenever a writ of scire facias has been sued out upon any such claim and the city, borough or township has not, within the period of five years thereafter, reduced such claim to judgment in the manner provided by law to obtain judgments upon municipal claims, or whenever any such municipal claim or claims have been reduced to judgment and the city, borough or township has not, within the period of five years after the date on which such judgment or judgments were entered or within five years after the date on which such judgment or judgments were last revived, filed a suggestion of nonpayment and an averment of default or sued out a writ of scire facias to revive the same, then in any such case, any such city, borough or township may, within six months after the passage and approval of this act, issue its praecipe for a writ of scire facias on any such municipal claim and proceed to judgment in the manner provided by law to obtain judgments upon municipal claims, or in case a writ of scire facias has already been issued, proceed to judgment in the manner provided by law to obtain judgments upon municipal claims, or in case judgment has been entered, either file a suggestion