

dred \*and forty-nine and ending on the thirty-first day of May, [one thousand nine hundred \*and fifty-one] *one thousand nine hundred fifty-three.*

The tax shall be payable upon fuels used by the Commonwealth and the political subdivisions thereof.

Section 2. Effective Date.—This act shall become effective on the first day of June, one thousand nine hundred fifty-one.

Act effective  
June 1, 1951.

APPROVED—The 29th day of May, A. D. 1951.

JOHN S. FINE

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No. 115

AN ACT

To further amend sections four and ten of the act, approved the twenty-first day of May, one thousand nine hundred thirty-one (Pamphlet Laws 149), entitled, as amended, "An act imposing a State tax, payable by those herein defined as distributors, on liquid fuels used or sold and delivered within the Commonwealth, which are practically, and commercially suitable for use in internal combustion engines for the generation of power; providing for the collection and lien of the tax, and the distribution and use of the proceeds thereof; requiring such distributors to secure permits, to file corporate surety bonds and reports, and to retain certain records; imposing duties on retail dealers, common carriers, county commissioners, and such distributors; providing for rewards; imposing certain costs on counties; conferring powers and imposing duties on certain State officers and departments; providing for refunds; imposing penalties; and making an appropriation," by extending the provisions of the additional tax for a limited time.

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

Section 1. Sections four and ten of the act, approved the twenty-first day of May, one thousand nine hundred thirty-one (Pamphlet Laws 149), entitled, as amended, "An act imposing a State tax, payable by those herein defined as distributors, on liquid fuels used or sold and delivered within the Commonwealth, which are practically, and commercially suitable for use in internal combustion engines for the generation of power; providing for the collection and lien of the tax, and the distribution and use of the proceeds thereof; requiring such distributors to secure permits, to file corporate surety bonds and reports, and to retain certain records; imposing duties on retail dealers, common carriers, county commissioners, and such distributors; providing for rewards; imposing certain costs on counties; conferring powers and imposing duties on certain State officers and departments; providing for refunds; imposing penalties; and making an appropriation," as last amended by the act,

"The Liquid  
Fuels Tax Act."

Sections 4 and  
10, act of May  
21, 1931, P. L.  
149, as last  
amended by act  
of March 24,  
1949, P. L. 315.  
further amended.

\* "and" omitted in original.

approved the twenty-fourth day of March, one thousand nine hundred forty-nine (Pamphlet Laws 315), are hereby further amended to read as follows:

Section 4. Imposition of Tax; Exemptions and Deductions.—A permanent State tax of three cents a gallon, or fractional part thereof, is hereby imposed and assessed upon all liquid fuels used or sold and delivered by distributors within this Commonwealth, excepting liquid fuels delivered to the United States Government on presentation of a duly authorized United States Government exemption certificate or other evidence satisfactory to the department, and such liquid fuels used or sold and delivered as are not within the taxing power of this Commonwealth under the Commerce Clause of the Constitution of the United States: Provided, That the tax herein imposed and assessed shall be collected by and paid to the Commonwealth but once in respect to any liquid fuels.

In addition to such tax \* an additional State tax of two cents a gallon, or fractional part thereof, is hereby imposed and assessed upon all liquid fuels used or sold and delivered by distributors within this Commonwealth for the period beginning on the day this act becomes effective, and ending on the thirty-first day of May, one thousand nine hundred [fifty-one] *fifty-three*.

Distributors shall be liable to the Commonwealth for the collection and payment of the tax imposed by this act. The tax imposed by this act shall be collected by the distributor at the time the liquid fuels are used or sold and delivered by the distributor and shall be borne by the consumer.

The tax shall be payable upon liquid fuels sold and delivered to or used by the Commonwealth and every political subdivision thereof.

The department shall allow such handling and storage losses of liquid fuels as are substantiated to its satisfaction.

Section 10. Disposition and Use of Tax.—(a) One-half cent per gallon of the permanent tax collected under the provisions of this act shall be paid into the Liquid Fuels Tax Fund of the State Treasury; and such moneys, paid into said fund, are hereby specifically appropriated for the purposes hereinafter set forth.

The moneys so paid into the Liquid Fuels Tax Fund, except those that are refunded as hereinafter provided, shall be paid to the respective counties of this Commonwealth, on the first day of June and December of each year, in the ratio that the average return made during the three (3) preceding years \*\*to each county bears to the average amount returned to all counties for the

\* "on" deleted from original.

\*\* "of" in original.

three preceding years: Provided, That the distribution of tax to the counties from the Liquid Fuels Tax Fund that is payable the first day of August, one thousand nine hundred and thirty-one, shall be made under the provisions of the acts of Assembly repealed by this act.

All moneys received by the counties hereunder shall be deposited and maintained in a special fund designated as the "County Liquid Fuels Tax Fund" into which no other moneys shall be deposited and commingled, except in any county which does not have sufficient money in such special fund to provide for payments designated in the current annual budget for payment from such special fund for the purposes of construction, reconstruction, maintenance and repair of county-owned roads, highways and bridges, property damages, interest and principal payments on road or bridge bonds, or sinking fund charges for such bonds becoming due within the current calendar year. The county, for the purpose of such payments and such payments only, may borrow and place in such special fund moneys, not in excess of the liquid fuels tax funds to be received during the current calendar year, and all such loans shall be repaid from such special fund before the expiration of the current calendar year and not thereafter. Moneys so received and deposited shall be used only for the purpose of construction, reconstruction, maintenance, and repair of roads, highways and bridges, including the payment of property damage, now due or hereafter to become due, occasioned by or the relocation or construction of highways and bridges, and for the payment of interest and sinking fund charges on bonds issued or used for highways and bridge purposes, or on so much of any bonds as have been used for such purposes, and all payments made by any county, either directly or indirectly, prior to the first day of January, one thousand nine hundred and forty-six, for any or all such purposes are hereby validated: Provided, That no expenditures from the county liquid fuels tax fund shall be made by the county commissioners for new construction on roads or bridges without first having obtained the approval of the plans for such construction from the Department of Highways: And provided, further, That the county commissioners shall not allocate moneys from the county liquid fuels tax fund to any political subdivision within the county, until the application and the contracts or plans for the proposed expenditures have been made on forms, prescribed, prepared and furnished, and first approved by the Department of Highways. The county commissioners of each county shall make to the Department of Highways, on or before the fifteenth day of January and July for the periods ending December thirty-first and

June thirtieth, respectively, of each year, on forms prescribed, prepared and furnished by the Department of Highways, a report showing the receipts and expenditures of such moneys received by the county, from the Commonwealth under the provisions of this section. Copies of such reports shall be transmitted to the department and to the Department of the Auditor General for audit. Upon the failure of the county commissioners to file any one of such reports, or to make any payments, allocations or expenditures in compliance with the provisions of this section, the department shall withhold further payments to the county out of the Liquid Fuels Tax Fund until the delinquent report is filed, transmitted, or said moneys allocated, or said expenditures for the prior six months are approved by the Department of Highways.

(b) The county commissioners may allocate and apportion moneys from the county liquid fuels tax fund to the political subdivisions within the county in the ratio as provided in this subsection: Provided, however, That when the unencumbered balance in the county liquid fuels tax fund is greater than the receipts for the twelve months immediately preceding the date of either of said reports the county commissioners shall notify the said political subdivisions to make application within ninety (90) days for participation in the redistribution of the said unencumbered balance, and distribute the said unencumbered balance to the said political subdivisions making application therefor in the following manner: fifty per cent (50%) of said moneys shall be allocated and apportioned among the political subdivisions within the county in the ratio which the total mileage of all roads and streets, maintained by the several political subdivisions making application, bears to the total mileage of all such roads and streets, maintained by such political subdivisions in the county as of January first of the year in which an allocation is made, and: Provided further, That the remaining fifty per cent (50%) of said moneys shall be allocated and apportioned among the same subdivisions on a population basis in the ratio which the population in each such subdivision of the county, making applications, bears to the total population of such political subdivisions: Provided further, That in the case of an emergency and upon approval of the Department of Highways, the county commissioners may enter into contracts and obligations for the expenditure of the estimated liquid fuels tax receipts for a period not exceeding two years, and receive a credit for such expenditures against such subsequent receipts: And provided further, That except in the case of an emergency, as heretofore authorized, no county shall

carry over any credit balance against future fuel tax receipts from year to year, and any credit balance now carried on the reports or in the records of the county commissioners, the department or the Department of the Auditor General are hereby specifically invalidated and declared null and void.

(c) The Department of Highways shall annually issue to the county commissioners and to the corporate authorities of the political subdivisions in the counties, copies of the laws with special reference to the pertinent provisions thereof, and regulations relating to the receipts and expenditures of any funds authorized to be apportioned, allocated or expended, as provided herein.

(d) The remaining two and one-half cents per gallon of the permanent tax and [one cent] *two cents* per gallon of the additional tax collected under the provisions of this act, all penalties and interests, and all interest earned on deposits of the Liquid Fuels Tax Fund, shall be paid into the Motor License Fund, and are hereby specifically appropriated for the same purposes for which moneys in the Motor License Fund are appropriated by law.

[(e) The remaining one cent per gallon of the additional tax of two cents per gallon, or fractional part thereof, collected, under the provisions of this act, shall be paid into the Motor License Fund, and the following amounts thereof are hereby specifically appropriated for the two calendar years beginning the first day of January, one thousand nine hundred forty-eight, and like amounts for the two calendar years beginning the first day of January, one thousand nine hundred fifty, for the purposes and in the manner as hereinafter set forth:

Ten million dollars shall be paid to the respective townships of the second class of this Commonwealth, and shall be allocated and apportioned among the said townships in the ratio which the mileage of township roads in each township of the second class bears to the total mileage of township roads in all townships of the second class in the Commonwealth as of January first of the year in which an allocation is made.

Ten million dollars shall be paid to the respective cities of the first class, cities of the second class, cities of the second class A, cities of the third class, boroughs, incorporated towns and townships of the first class of this Commonwealth, and shall be allocated and apportioned among said units of government in the ratio which the mileage of roads and streets not maintained by the Department of Highways, under the provisions of existing laws in each such unit, bears to the total mileage of such roads and streets in all of said units in the Commonwealth as of January first of the year in which an allocation is made.

The calculation of mileages shall be determined annually by the Department of Highways of the Commonwealth from reports submitted by the cities, boroughs, \*towns and townships. The term "roads and streets" is defined to mean public roads and streets, used for travel by horse drawn and motor vehicles, and to exclude ways, courts and alleys.

The moneys so appropriated, allocated and apportioned herein from the Motor License Fund shall be paid over in the manner provided by law on requisition of the Secretary of Highways to cities of the first class, cities of the second class, cities of the second class A, cities of the third class, boroughs, incorporated towns and townships, on the first day of March, June, September and December of each year.

The fund so allocated, apportioned and received shall be deposited and maintained in a special fund into which no other moneys shall be deposited and commingled, and shall be expended by the corporate authorities of said political subdivisions directly or by contract let, but only after approval of the Department of Highways as to the most beneficial and efficient manner of making such expenditures, and shall be used only for the maintenance, construction, reconstruction, resurfacing and improvement of public roads and streets not maintained by the Department of Highways under the provisions of existing laws, and the maintenance, construction and reconstruction of bridges on such roads and streets in said political subdivisions, except that in political subdivisions which do not have sufficient funds from other sources for the maintenance and repair of all roads and bridges not maintained by the Department of Highways under the provisions of existing laws, the allocation to such political subdivisions may be used in whole or in part for such maintenance and repair purposes. Where road and bridge work is performed by the political subdivision, this paragraph shall be construed to permit the funds so allocated to be used and expended only for labor, rental of equipment, payrolls, purchase of material, including repair parts necessary for the maintenance of equipment, small tools, road drags, and snow fences.

Each political subdivision shall submit to the Department of Highways a report on the fifteenth day of January and July for the periods ending December thirty-first and June thirtieth respectively of each year, showing the cost of the work done pursuant to the moneys so allocated and apportioned in such detail as may be required by the Department of Highways. In case any records or reports required by law are not made in the manner or at the time required, no further

\* "town" in original.

moneys shall be approved for payment by the Department of Highways to such political subdivision until such reports have been made and approved.

Nothing herein contained shall be construed to prevent the use of any moneys so allocated and apportioned for Federal projects sponsored by the political subdivision or for county-aid work relating to the improvement of roads and bridges.

The corporate authorities of the said political subdivision shall, at the time of fixing the real estate tax rate for highway, road and street purposes, for the calendar years one thousand nine hundred and forty-six and one thousand nine hundred and forty-seven, give consideration to the anticipated revenue to be received under the provisions of this act.

The Department of Highways shall annually issue to the corporate authorities of the said political subdivisions copies of the laws, with special reference to the pertinent provisions thereof, and regulations relating to the receipt and expenditure of any funds authorized herein to be apportioned, allocated or expended.]

Section 2. The provisions of this act shall become effective on the first day of June, one thousand nine hundred fifty-one.

Act effective  
June 1, 1951.

APPROVED—The 29th day of May, A. D. 1951.

JOHN S. FINE

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No. 116

AN ACT

To amend section 304 of the act, approved the ninth day of April, one thousand nine hundred twenty-nine (Pamphlet Laws 177), entitled "An act providing for and reorganizing the conduct of the executive and administrative work of the Commonwealth by the Executive Department thereof and the administrative departments, boards, commissions, and officers thereof, including the boards of trustees of State Normal Schools, or Teachers Colleges; abolishing, creating, reorganizing or authorizing the reorganization of certain administrative departments, boards, and commissions; defining the powers and duties of the Governor and other executive and administrative officers, and of the several administrative departments, boards, commissions, and officers; fixing the salaries of the Governor, Lieutenant Governor, and certain other executive and administrative officers; providing for the appointment of certain administrative officers, and of all deputies and other assistants and employes in certain departments, boards, and commissions; and prescribing the manner in which the number and compensation of the deputies and all other assistants and employes of certain departments, boards and commissions shall be determined," by increasing the membership of the Pennsylvania Historical and Museum Commission.