

*(b) When two or more school districts are formed into a union district or are merged, the directors then in office in each district shall, until the end of their respective terms, be directors of the union or merged district. At the first municipal election after the union or merger in the case of newly formed districts, and at the municipal election in one thousand nine hundred fifty-seven in the case of existing union or merged districts, and, in both cases, at each subsequent municipal election, directors shall be elected from the number of the component municipalities entitled to representation under subsection (a) of this section equal to the number of directors to be elected at that election in districts of the class to which the union or merged district belongs or to which the district is entitled under subsection (a) of this section. The order of priority of component municipalities in electing directors shall be in accordance with the population of the component municipalities starting with the largest according to the United States decennial census last preceding the union or merger or, in the case of existing districts, the one thousand nine hundred fifty census. Directors to be elected at large shall be elected after a director has been elected from each component municipality entitled to representation under subsection (a) of this section.*

Act effective  
immediately.

Section 3. This act shall take effect immediately.

APPROVED—The 11th day of March, A. D. 1957.

GEORGE M. LEADER

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No. 3

AN ACT

Amending the act of May 21, 1931 (P. L. 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," making permanent the provisions relating to reimbursement of taxes paid on liquid fuels consumed in the operation of certain tractors and machinery for agricultural purposes.

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

The Liquid  
Fuels Tax Act.

Section 1. Section 17, act of May 21, 1931 (P. L. 149), known as "The Liquid Fuels Tax Act," amended May 7, 1956 (P. L. 1534), and May 28, 1956 (P. L. 1776), is amended to read:

Section 17, act  
of May 21, 1931,  
P. L. 149,  
amended May 7,  
1956, P. L. 1534  
and May 28,  
1956, P. L.  
1776, further  
amended.

Section 17. Refunds.—The Board of Finance and Revenue may refund to distributors taxes, penalties, and interest paid by them on liquid fuels delivered to the United States government, or paid as the result of an error of law or of fact or of both law and fact. Claims for such refunds shall be made under the procedure prescribed by The Fiscal Code.

Any person who shall use or buy liquid fuels on which the tax imposed by this act shall have been paid and shall consume the same in the operation of any non-licensed farm tractor or licensed farm tractor when used off the highways for agricultural purposes or nonlicensed powered farm machinery for purposes relating to the actual production of farm products shall be reimbursed the full amount of such tax.

Any person who shall use or buy any liquid fuel on which a tax imposed by this act in excess of one and one-half cents a gallon shall have been paid and shall use such liquid fuel in propeller-driven aircraft or aircraft engines, or who shall use or buy any liquid fuel on which a tax imposed by this act in excess of one and one-half cents per gallon shall have been paid and shall use such liquid fuel in jet or turbo-jet propelled aircraft or aircraft engines, shall be reimbursed in the amount of such excess.

All such claims for reimbursement shall be made upon a form to be furnished by the Board of Finance and Revenue and shall include, in addition to such other information as the board may by regulation prescribe, the name and address of the claimant, the period of time and the number of gallons of liquid fuels used for which reimbursement is claimed, a description of the farm machinery, aircraft or aircraft engine in which such liquid fuels have been used and the purposes for which such machinery, aircraft or aircraft engine has been used, the size of the farm and part thereof in cultivation on which such liquid fuels have been used. Each such claim shall contain statements that the liquid fuels for which reimbursement is claimed have been used only for purposes for which reimbursements are permitted, that records of the amounts of such fuels used in each piece of farm machinery, aircraft or aircraft engine have been kept, and that no part of such claim has been paid except as stated. Each such claim shall contain a declaration

that it and accompanying receipts are true and correct to the best of claimant's knowledge and shall be signed by the claimant or the person claiming on his behalf. Every claim shall be accompanied by receipts indicating that the liquid fuels or excess liquid fuels tax was paid on the liquid fuels for which reimbursement is claimed. All records of purchases of liquid fuels and use in each tractor or powered machinery, aircraft or aircraft engine shall be kept for a period of two years. Every such claim shall be made annually for the preceding year ending on the thirtieth day of June and shall be submitted to the Board of Finance and Revenue not later than the thirtieth day of September of each year and the board shall refuse to consider any claim received or post-marked later than such date. The claimant shall satisfy the board that he has paid the tax and that the liquid fuels have been consumed by him for purposes for which reimbursements are permitted under this section. The board may require any claimant to furnish such further information, proof, or fuller explanation as it shall deem necessary. The action of the Board of Finance and Revenue in granting or refusing reimbursement shall be final. The board shall deduct the sum of one dollar and fifty cents (\$1.50), which shall be considered as a filing fee, from every claim for reimbursement granted. Such filing fees are hereby specifically appropriated to the Board of Finance and Revenue and to the Department of Revenue for expenses of any nature whatsoever incurred in the administration of the reimbursement provisions of this act. The Board of Finance and Revenue shall have the power to refer to the Department of Revenue, for investigation, any claim for reimbursement filed under the provisions of this act and it shall be the duty of the Department of Revenue to investigate such application and report to the Board of Finance and Revenue relative thereto. Any person making any false or fraudulent statement for the purpose of obtaining reimbursement shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine of not more than one thousand dollars (\$1000) or to undergo imprisonment for not more than six (6) months, or both.

All refunds and reimbursements of moneys allowed hereunder shall be paid from the Motor License Fund and the Liquid Fuels Tax Fund in amounts equal to the original distribution and payment of such moneys into said funds: Provided, That reimbursement for taxes paid on liquid fuels consumed in the operation of tractors and powered machinery for purposes relating to the actual production of farm products and reimbursement for taxes paid on liquid fuels used in aircraft or aircraft engines shall be paid out of the Motor License Fund.

As much of the moneys, from time to time, in the Motor License Fund and the Liquid Fuels Tax Fund, as may be necessary, is hereby appropriated to the Board of Finance and Revenue for the purpose of making refunds and reimbursements as herein authorized. Estimates of the amounts to be expended from these funds for refunds and reimbursements, from time to time, by the board shall be submitted to the Governor for his approval or disapproval as in the case of other appropriations to administrative departments, boards and commissions; and it shall be unlawful for the Auditor General to honor any requisition of the Board of Finance and Revenue for the expenditure of moneys hereunder in excess of the estimates approved by the Governor.

The provisions of this section relating to reimbursement of taxes paid on liquid fuels consumed in the operation of tractors and powered machines for purposes relating to the actual production of farm products shall apply only to liquid fuels purchased on and after the first day of July, one thousand nine hundred fifty-five [and before the thirtieth day of June, one thousand nine hundred fifty-seven].

The Pennsylvania Aeronautics Commission is authorized to make allocations of taxes collected under this act to airports in proportion to the average of their allocations received from the Pennsylvania Aeronautics Commission during the period for which they have received such allocations not to exceed five years or, in the case of airports having no such allocation experience, in equal proportion with other airports based upon comparative collections under this tax. In no case shall the amount apportioned to the airport be less than the highest amount apportioned in any one of the previous five years.

Section 2. This act shall take effect immediately.

Effective date.

APPROVED—The 12th day of March, A. D. 1957.

GEORGE M. LEADER

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No. 4

AN ACT

Amending the act of June 25, 1941 (P. L. 159), entitled "An act amending, revising, consolidating and changing the law relating to the borrowing of money by certain political subdivisions, the authorization, issuance and sale of general obligation bonds as herein defined, of bonds imposing no general obligation of debt and of bonds not deemed to constitute a debt for certain purposes, and to the funding of debt and the refunding of bonds; regulating the keeping and use of sinking funds; imposing powers and duties upon the Department of Internal Affairs and