

nance of the property, and to make and enforce rules and regulations for the preservation of the property and the visitation thereof by the public.

Section 4. The sum of twenty-five thousand dollars (\$25,000), or so much thereof as may be necessary, is hereby specifically appropriated to the Pennsylvania Historical and Museum Commission for the maintenance, improvement and management of the lands and structures acquired under the provisions of this act for the biennium beginning the first day of June, one thousand nine hundred and fifty-seven.

APPROVED—The 17th day of July, A. D. 1957.

GEORGE M. LEADER

No. 414

AN ACT

Amending the act of May 23, 1949 (P. L. 1669), entitled, as amended, "An act to provide revenue for school districts of the first class by imposing a tax on persons engaging in certain businesses, professions, occupations, trades, vocations and commercial activities therein; providing for its levy and collection; conferring and imposing powers and duties on the Board of Public Education, receiver of school taxes and school treasurer in such districts; and prescribing penalties," further defining "receipts," making such definitions retroactive, and limiting the penalty of taxes not paid when due.

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

Section 1. Clause (5) of section 1 of the act of May 23, 1949 (P. L. 1669), entitled, as amended, "An act to provide revenue for school districts of the first class by imposing a tax on persons engaging in certain businesses, professions, occupations, trades, vocations and commercial activities therein; providing for its levy and collection; conferring and imposing powers and duties on the Board of Public Education, receiver of school taxes and school treasurer in such districts; and prescribing penalties," amended February 10, 1956 (P. L. 1012), February 10, 1956 (P. L. 1014), February 10, 1956 (P. L. 1034), and May 25, 1956 (P. L. 1754), is amended to read:

Section 1. Definitions.—The following words 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:

* * * * *

(5) "Receipts." Cash, credits, property of any kind or nature, received in or allocable to a school district

Taxation—
school districts
of the first class.

Clause (5), sec-
tion 1, act of
May 23, 1949,
P. L. 1669, as
amended, and
amended, Febru-
ary 10, 1956,
P. L. 1012, Feb-
ruary 10, 1956,
P. L. 1014, Feb-
ruary 10, 1956,
P. L. 1034, and
May 25, 1956,
P. L. 1754, fur-
ther amended.

of the first class from any business or by reason of any sale made, including resales of goods, wares or merchandise taken by a dealer as a trade-in or as part payment for other goods, wares or merchandise or services rendered or commercial or business transaction had within a school district of the first class, without deduction therefrom on account of the cost of property sold, materials used, labor, service, or other cost, interest or discount paid, or any other expense. "Receipts" shall exclude (a) the amount of any allowance made for goods, wares or merchandise taken by a dealer as a trade-in or as part payment for other goods, wares and merchandise in the usual and ordinary course of his business; (b) in the case of a financial business, the cost of securities and other property sold, exchanged, paid at maturity, or redeemed, and moneys or credits received in repayment of advances, credits and loans, but not to exceed the principal amount of such advances, credits and loans, and shall also exclude deposits, and in the case of building and loan or savings and loan associations, payments received on account of shares purchased by shareholders; (c) in the case of a broker, any commissions paid by him to another broker on account of a purchase or sales contract initiated, executed or cleared in conjunction with such other broker; (d) the receipts or the portion thereof attributable to any sale involving the bona fide delivery of goods, commodities, wares or merchandise of the taxpayer's own manufacture, growth or produce, to a location regularly maintained by the other party to the transaction outside the limits of such school district, and not for the purpose of evading or avoiding payment of the tax or any portion thereof imposed under this act; (e) in the case of a person who at the execution of a contract for the sale in a natural state of the produce of a mine does not have title thereto and does not at any time take possession thereof, the cost to him of the produce of a mine covered by the contract; (f) receipts by dealers from sales to other dealers in the same line, where the dealer transfers title or possession at the same price for which he acquired the goods, wares or merchandise. For the purpose of determining taxable receipts from sales made by a manufacturing corporation of goods, commodities, wares and merchandise of its own manufacture through a wholly owned distributing corporation, such sales shall be treated as if made directly by the manufacturing corporation to the vendees of the distributing corporation. For the purpose of determining taxable receipts from sales made by a manufacturing corporation of goods, commodities, wares and merchandise of its own manufacture made through a distributing corporation,

such sales shall be treated as if made directly by the manufacturing corporation to the vendees of the distributing corporation, if a majority of the shares of stock of both the manufacturing corporation and the distributing corporation is owned by the same individual, association or corporation. For the purpose of determining receipts from the business of insurance, such receipts shall mean those from premiums received from risks within the school district of the first class, whether by mutual or stock companies, domestic or foreign, without any deductions therefrom for any cost or expense whatsoever. The collector shall determine from such data as he shall require from insurance companies subject to this act, the amount of such receipts, and shall ascertain the amount of the tax in accordance with such determination. "Receipts" shall exclude the cost of the commodity at its source in the case of a person who is a wholesale dealer in grain, butter, eggs, fruit or produce in its natural state. "Receipts" shall exclude the cost of the commodity at its source in the case of a person who is a wholesale dealer in fresh meats produced by such person by the slaughter of cattle, hogs and sheep. "*Receipts*" shall exclude the cost of the commodity at its source in the case of a person who is a wholesale dealer in "*dressed poultry*." "*Dressed poultry*" means poultry which has been slaughtered for human food from which the blood and feathers have been removed either with head, feet and viscera intact or removed. "*Receipts*" shall exclude in the case of a person who is a wholesale dealer and who, at the execution of a contract for the sale of rough or planed lumber sawn from logs, does not have title thereto and does not at any time take possession thereof, the cost to him of such lumber at its source covered by the contract. "*Receipts*" shall exclude in the case of a person who is a wholesale dealer and who, at the execution of a contract for the sale of cotton spun yarn, does not have title thereto and does not at any time take possession thereof, the cost to him of such cotton spun yarn covered by the contract at its source. "*Receipts*" shall exclude in the case of a person who is a wholesale dealer and who, at the execution of a contract for the sale of grain in a natural or milled state but unmixed and undiluted, does not have title thereto and does not at any time take possession thereof, the cost to him of such grain covered by the contract at its source. "*Receipts*" shall exclude the cost of the commodity at its source in the case of a person who is a wholesale dealer in cheese.

The provisions of this amendatory act which refer to the computation of receipts by wholesale dealers in dressed poultry, rough or planed lumber, cotton spun yarn, cheese and grain are hereby made retroactive to January 1, 1950. No refunds of taxes, interest or penalties paid prior to the date of the enactment of this act shall be made as a result of the amendments herein contained.

Section 8 of the
act, amended
February 10,
1956, P. L. 1014,
further amended.

Section 2. Section 8 of the act, amended February 10, 1956 (P. L. 1014), is amended to read:

Section 8. Suit on Collection; Penalty.—It shall be the duty of the collector to sue for the recovery of all taxes due him, not paid when due. No suit shall be begun for unpaid taxes later than five (5) years after the date on which such taxes should have been paid. The provisions of this subsection shall be retroactive to the tax year one thousand nine hundred fifty.

(b) If for any reason the tax is not paid when due in each year, interest at the rate of six per centum (6%) per annum on the amount of said tax and an additional penalty of one-half per centum ($\frac{1}{2}\%$) of the amount of the unpaid tax for each month or fraction thereof during which the tax remains unpaid after said tax becomes due, shall be added and collected by the collector: Provided, That the maximum penalty added for non-payment of the tax shall be seven per centum (7%). Where suit is brought for the recovery of any such tax, the person shall be liable for and it shall be the duty of the collector to collect, in addition to the tax assessed against such person, the costs of such collection and the interest and penalties herein imposed.

[(c) All penalty in excess of seven per *centum (7%) imposed on unpaid taxes levied pursuant to this act for one thousand nine hundred fifty-five and all previous years, are hereby abated, if the unpaid delinquent taxes and penalty (not to exceed seven per centum) and interest are paid on or before December one, one thousand nine hundred fifty-six, provided the taxpayer's one thousand nine hundred fifty-five and one thousand nine hundred fifty-six taxes levied under this act are paid.]

APPROVED—The 17th day of July, A. D. 1957.

GEORGE M. LEADER