

unencumbered balance *in excess of fifty per cent (50%) of the receipts for the previous twelve months aforesaid* 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.

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APPROVED—The 29th day of April, A. D. 1959.

DAVID L. LAWRENCE

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No. 38

AN ACT

Amending the act of July 8, 1957 (P. L. 594), entitled "An act to provide revenue by imposing a State tax upon sales or gifts of cigarettes; requiring persons engaged in the sale of cigarettes to secure licenses; prescribing the method and manner of collecting such tax; making it unlawful to sell or possess cigarettes upon which the tax has not been paid; conferring powers and imposing duties on the Department of Revenue and other persons; making an appropriation and providing penalties," continuing the additional excise tax for a limited period of time and imposing an additional State excise tax to provide funds to repay principal, interest and costs incurred by the sale of bonds issued to create the Korean Conflict Veterans' Compensation Fund.

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

Pennsylvania
Cigarette Tax
Act of 1957.

Section 1. Section 201, act of July 8, 1957 (P. L. 594), known as the "Pennsylvania Cigarette Tax Act of 1957," is amended to read:

Section 201, act
of July 8, 1957,
P. L. 594,
amended.

Section 201. Imposition of Tax.—An excise tax is hereby imposed and assessed upon the sale or possession of cigarettes within this Commonwealth at the rate of two (2) cents per ten cigarettes, or fraction thereof.

In addition to the foregoing, an additional excise tax is hereby imposed and assessed upon the sale or possession of cigarettes within this Commonwealth at the rate of one-half ($\frac{1}{2}$) cent per ten cigarettes, or fraction thereof. The additional tax shall be imposed for the period beginning on the effective date of this act and ending May 31, 1961.

In addition to the foregoing, an additional excise tax is hereby imposed and assessed upon the sale or possession of cigarettes within this Commonwealth at the rate of one-half ($\frac{1}{2}$) cent per ten cigarettes, or fraction thereof. The proceeds of the additional state excise tax imposed by this paragraph are hereby specifically appropriated for the purposes set forth in the act creating the Korean Conflict Veterans' Compensation Fund, and shall be paid into the Korean Conflict Veterans' Compensation Sinking Fund. The additional tax imposed by this paragraph shall remain in effect until sufficient funds are accumulated to pay the bonds issued and sold pursuant to the act creating the Korean Conflict Veterans' Compensation Fund, the interest thereon and the cost of administering the fund.

Section 2. This act shall take effect June 1, 1959.

Effective
June 1, 1959.

APPROVED—The 4th day of May, A. D. 1959.

DAVID L. LAWRENCE

No. 39

AN ACT

Authorizing the issue and sale of bonds by the Commonwealth of Pennsylvania for the payment of compensation to certain veterans; creating a special fund in the State Treasury to be known as the Korean Conflict Veterans' Compensation Fund; defining the powers and duties of the Governor, the Auditor General, the State Treasurer, and the Board of Finance and Revenue in relation thereto; and providing for the payment of interest on and the redemption and refunding of such bonds; and making an appropriation.