

## No. 283

## AN ACT

## SB 1531

Amending the act of April 9, 1929 (P.L. 343, No. 176), entitled "An act relating to the finances of the State government; providing for the settlement, assessment, collection, and lien of taxes, bonus, and all other accounts due the Commonwealth, the collection and recovery of fees and other money or property due or belonging to the Commonwealth, or any agency thereof, including escheated property and the proceeds of its sale, the custody and disbursement or other disposition of funds and securities belonging to or in the possession of the Commonwealth, and the settlement of claims against the Commonwealth, the resettlement of accounts and appeals to the courts, refunds of moneys erroneously paid to the Commonwealth, auditing the accounts of the Commonwealth and all agencies thereof, of all public officers collecting moneys payable to the Commonwealth, or any agency thereof, and all receipts of appropriations from the Commonwealth and imposing penalties; affecting every department, board, commission, and officer of the State government, every political subdivision of the State, and certain officers of such subdivisions, every person, association, and corporation required to pay, assess, or collect taxes, or to make returns or reports under the laws imposing taxes for State purposes, or to pay license fees or other moneys to the Commonwealth, or any agency thereof, every State depository and every debtor or creditor of the Commonwealth," providing for the deposit of certain State taxes in certain interest-bearing accounts by certain officers and for the return of certain moneys to the State, imposing certain penalties; further providing for the collection of inheritance taxes and making certain repeals.

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

Section 1. Section 901, act of April 9, 1929 (P.L. 343, No. 176), known as "The Fiscal Code," amended July 17, 1959 (P.L. 537, No. 156), is amended to read:

Section 901. Reports to the Secretary of Revenue.—On the **[first Monday after the first Tuesday]** *fifth day* of each month, *and at such times and with such frequency as may be prescribed by the Secretary of Revenue*, it shall be the duty of each *judicial officer of a court not of record*, city *officer* and county officer to render to the Department of Revenue, under oath or affirmation, returns of all moneys *or as much as may be prescribed by the Secretary of Revenue*, received during the **[preceding month]** *applicable period* for the use of the Commonwealth, designating, under proper headings, the source from which such moneys were received, and to pay the same into the State Treasury, through the Department of Revenue, less any compensation and reimbursement for expenses allowable by law for having made the collections.

Section 2. The act is amended by adding a section to read:

**Section 901.1. Establishment of Federally Insured Interest-bearing Accounts for the Deposit of Commonwealth Moneys.—Judicial officers of courts not of record, city officers and county officers who receive moneys**

*for the use of or on behalf of the Commonwealth shall, when required by the Secretary of Revenue, establish at any bank or savings and loan association whose accounts are insured by an instrumentality of the Federal Government an insured interest-bearing account and therein deposit all moneys received for or on behalf of the Commonwealth except those moneys deducted for commissions and fees. Both the principal and interest in any interest-bearing account established under this section shall be transmitted to the Commonwealth as set forth in section 901.*

Section 3. Sections 902 and 903 of the act are amended to read:

Section 902. Settlement of Accounts.—Promptly upon receipt, from any *judicial officer of a court not of record*, county *officer* or city officer, of the return required by **[the preceding]** section 901 of this article, the Department of Revenue shall settle the account of such officer, and transmit it to the Department of the Auditor General for audit and approval as in the case of tax settlements, and the subsequent procedure shall be the same as in the case of tax settlements, but a final discharge shall not be granted to any *judicial officer of a court not of record*, city *officer* or county officer upon any such account until the accounts and dockets of such officer shall have been audited by the Department of the Auditor General as in this act provided.

Section 903. Settlement in Case of Failure to Make Return.—The Secretary of Revenue, or any agent appointed by **[him]** *the secretary*, is hereby authorized to examine the books and accounts of any *judicial officer of a court not of record*, county *officer* or city officer who shall refuse or neglect to make the return and payment required by **[the first]** section 901 of this article, and, upon information obtained from such examination, the Department of Revenue shall settle an account against such officer, and in the settlement shall add *a penalty of five per centum per month, or fraction thereof*, not to exceed *a total of fifty per centum* to the amount of the settlement to provide for any losses which might otherwise result to the Commonwealth from the neglect or refusal of the officer to furnish the return. Such settlement shall be transmitted to the Department of the Auditor General for audit and approval, and the subsequent procedure shall be the same as in the case of tax settlements.

Section 4. Section 1710 of the act, amended June 10, 1947 (P.L.514, No.233), is amended to read:

Section 1710. Failure of **[City or County]** Officer to Make Return and Payment to Department of Revenue.—Any *judicial officer of a court not of record*, city *officer* or county officer who shall refuse or neglect **[, for the period of ten days after the same shall become due,]** to make the return and payment required by section 901 of this **[act]** *article*, shall be **[notified by registered mail by the Department of Revenue that such return and payment have not been received. If such return and payment are not made within ten days of such notification he shall forfeit his fees and commissions on the whole]** *personally liable for a penalty of ten per centum of the amount of money collected during the [month] period to which the*

*return and payment apply*, and [shall be subject to a penalty of ten percentum,] which shall be added to the *total* amount [of the tax or fees] found due [: **Provided, however, That any subsequent refusal or neglect to make a return and payment for any subsequent period within the time prescribed shall, without notification by the Department of Revenue, constitute a violation of this section and subject the said officer to the penalties herein provided.**]

Section 5. The act is amended by adding sections to read:

***Section 1710.1. Penalty for Failure of an Officer to Establish an Interest-bearing Account.—Any judicial officer of a court not of record, city officer, or county officer who shall refuse or neglect, when required by the Secretary of Revenue, to establish a Federally insured interest-bearing account in any bank or savings and loan association and to deposit all moneys received for the use of or on behalf of the Commonwealth shall be personally liable for a penalty of one per centum per month or fraction thereof on the moneys collected for the period during which said account is not established and said funds are not deposited therein.***

***Section 1710.2. Collection of Inheritance Taxes.—All clerks, appraisers, investigators and other persons required to assist any register of wills, in any county of the Commonwealth, in collecting and paying over inheritance taxes shall be appointed and their compensation fixed by the Secretary of Revenue, and, upon his approval and order, shall be paid out of the said taxes by the Department of Revenue, together with other necessary expenses incident to the collection of such taxes, including the payment of the cost of the premium on bonds filed by registers with the Department of Revenue.***

Section 6. The act of July 8, 1919 (P.L.782, No.319), entitled, as amended, "An act providing that clerks, appraisers, investigators and other persons assisting the registers of wills in the collection of inheritance taxes, in all counties shall be appointed and their compensation fixed by the Secretary of Revenue; and prescribing the method of their payment and that of other expenses incident to the collection of said taxes, including cost of registers' bonds," is hereby repealed.

Section 7. This act shall take effect immediately and shall apply retroactively to July 1, 1976.

APPROVED—The 2nd day of December, A. D. 1976.

MILTON J. SHAPP