
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. **422** Session of
1961

INTRODUCED BY MESSRS. MAHADY, MURRAY AND DEVLIN,
MARCH 20, 1961.

REFERRED TO COMMITTEE ON FINANCE, MARCH 20, 1961.

AN ACT

Amending the act of July 15 1897 (P L 292) entitled "An act to provide revenue by taxation" further specifying the dates for certain reports and clarifying the applicability of the act to building and loan associations and federal and state savings and loan associations

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

EXPLANATION—CAPITAL LETTERS indicate new matter added to bill. Matter stricken-through is to be omitted from bill. Underscoring indicates new matter added to existing law. [Brackets] indicate matter stricken from existing law.

1 Section 1 Section 1 act of July 15 1897 (P L 292) entitled "An
2 act to provide revenue by taxation" amended February 21 1961 (Act No
3 17) is amended to read

4 Section 1 Be it enacted &c That from and after the passage of
5 this act

6 1 Every bank or savings institution having capital stock incorpor-
7 ated by or under any law of this Commonwealth or under any law of
8 the United States and located within this Commonwealth shall on or
9 before the fifteenth day of April in each and every year up to and in-
10 cluding the year one thousand nine hundred sixty-one make to the
11 Department of Revenue a report in writing verified as required by
12 law setting forth the full number of shares of the capital stock sub-
13 scribed for or issued as of the preceding thirty-first day of December
14 by such bank or savings institution having capital stock and the actual
15 value thereof as of the preceding thirty-first day of December which
16 actual value shall be ascertained as hereinafter provided For the cal-
17 endar year beginning the first day of January one thousand nine hun-
18 dred sixty-one and each year thereafter such bank or savings institution
19 having capital stock shall on or before the fifteenth day of April of
20 the year one thousand nine hundred sixty-one and of every year there-

1 after make to the Department of Revenue a report in writing verified
2 as required by law setting forth the full number of shares of the cap-
3 ital stock subscribed for or issued as of the preceding first day of
4 January by such bank or savings institution having capital stock and
5 the actual value thereof as of the preceding first day of January which
6 actual value shall be ascertained as hereinafter provided It shall be
7 the duty of the Department of Revenue to assess such shares for taxa-
8 tion for the calendar years ending December thirty-first one thousand
9 nine hundred thirty-six December thirty-first one thousand nine hundred
10 thirty-seven December thirty-first one thousand nine hundred thirty-eight
11 December thirty-first one thousand nine hundred thirty-nine December
12 thirty-first one thousand nine hundred forty December thirty-first one
13 thousand nine hundred forty-one and December thirty-first one thousand
14 nine hundred forty-two at the rate of eight mills upon each dollar of
15 the actual value thereof and thereafter for each year to and including
16 the calendar year ending December thirty-first one thousand nine hun-
17 dred fifty-eight at the rate of four mills upon each dollar of the actual
18 value thereof and for the calendar years ending December thirty-first
19 one thousand nine hundred fifty-nine and December thirty-first one

1 thousand nine hundred sixty and for the calendar year beginning the
2 first day of January one thousand nine hundred sixty-one and each year
3 thereafter at the rate of eight mills upon each dollar of the actual
4 value thereof the actual value of each share of stock to be ascertained
5 and fixed by adding together the amount of capital stock paid in the
6 surplus and undivided profits and dividing this amount by the number
7 of shares It shall be the duty of every bank or savings institution having
8 capital stock at the time of making every report required by this section
9 to compute the tax and to pay the amount of said tax to the State
10 Treasurer through the Department of Revenue either from its general
11 fund or from the amount of said tax collected from its shareholders
12 Provided That for the calendar year beginning the first day of January
13 1961 and each year thereafter such bank or savings institution having
14 capital stock upon the date its report herein required is made for such
15 calendar year beginning the first day of January one thousand nine
16 hundred sixty-one and each year thereafter shall pay to the Department
17 of Revenue not less than eighty per centum (80%) of the tax due to
18 the Commonwealth by it for such calendar year and the remaining tax
19 due shall be paid at the time when the report herein required for the
20 year next succeeding is made Provided That in case any bank or savings

1 institution having capital stock incorporated under law of this State or
2 of the United States shall collect annually from the shareholders thereof
3 said tax of eight mills or four mills as the case may be on the dollar upon
4 the actual value of all the shares of stock of said bank or savings in-
5 stitution according to the provisions of this act that have been subscribed
6 for or issued and pay the same into the State Treasury through the De-
7 partment of Revenue the shares and so much of the capital and profits
8 of such bank or savings institution having capital stock as shall not be
9 invested in real estate shall be exempt from local taxation under the
10 laws of this Commonwealth and such bank or savings institution
11 having capital stock shall not be required to make any report to the
12 local assessor or county commissioners of its personal property owned
13 by it in its own right for purposes of taxation and shall not be required
14 to pay any tax thereon

15 2 Every savings bank without capital stock incorporated by or
16 under any law of this Commonwealth and every building and loan asso-
17 ciation and federal and state savings and loan association located within
18 this Commonwealth shall on or before the fifteenth day of April in each
19 and every year make to the Department of Revenue a report in writing
20 setting forth the full amount of its surplus undivided profits and reserves

1 as of the last fiscal closing preceding the first day of January The term
2 reserves as applied to a building and loan association or a federal or state
3 savings and loan association shall mean its general reserves It shall be
4 the duty of the Department of Revenue to assess such surplus undivided
5 profits and reserves for taxation for the calendar year beginning the
6 first day of January one thousand nine hundred sixty-one and each year
7 thereafter at the rate of eight mills upon each dollar of the actual value
8 thereof the actual value to be ascertained and fixed by adding together
9 the amount of the surplus undivided profits and reserves It shall be the
10 duty of every savings bank without capital stock and of every building
11 and loan association and federal and state savings and loan association
12 at the time of making every report required by this section to compute
13 the tax and pay to the Department of Revenue not less than eighty per
14 centum (80%) of the tax due to the Commonwealth by it for such calen-
15 dar year and the remaining tax due shall be paid at the time when the
16 report herein required for the year next succeeding is made So much of
17 the surplus undivided profits and reserves of such savings bank without
18 capital stock building and loan association and federal and state savings
19 and loan associations as shall not be invested in real estate shall be

1 exempt from local taxation under the laws of this Commonwealth
2 and such savings bank without capital stock building and loan association
3 and federal and state savings and loan association shall not be required
4 to make any report to the local assessor or county commissioner of its
5 personal property owned by it in its own right for the purposes of taxa-
6 tion and shall not be required to pay any tax thereon

7 § The procedure in case the Department of Revenue be not satisfied
8 with the report made by any bank savings institution having capital
9 stock building and loan associations federal or state savings and loan
10 associations or savings bank without capital stock and the penalties for
11 failing to make such report and pay the tax shall be as provided by law

12 Section 2 This act shall take effect immediately

We certify that this bill has passed the Senate and the House of Representatives.

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Chief Clerk, Senate

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President pro tempore, Senate

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Speaker, House of Representatives

Approved The day of A. D. 1861.

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Governor