

No. 137

AN ACT

To amend section one of the act, approved the fourth day of May, one thousand nine hundred thirty-three (Pamphlet Laws, two hundred seventy-seven), entitled "An act establishing portions of certain highways lying partially within the corporate limits of cities, boroughs, or incorporated towns as State highways; and providing for their construction and maintenance at the expense of the Commonwealth," to include as State highways portions of the highway outside municipalities, under certain conditions.

Section 1. Be it enacted, &c., That section one of the act, approved the fourth day of May, one thousand nine hundred thirty-three (Pamphlet Laws, two hundred seventy-seven), entitled "An act establishing portions of certain highways lying partially within the corporate limits of cities, boroughs, or incorporated towns as State highways; and providing for their construction and maintenance at the expense of the Commonwealth," be and the same is hereby amended to read as follows:

State highways.

Section 1, act of May 4, 1933 (P. L. 277), amended.

Section 1. Be it enacted, &c., That where the boundary line of any city, borough, or incorporated town [is located within] *traverses longitudinally* the legal limits of a highway, *and a portion only of such highway, situate either outside of or within the municipality, has been or may hereafter be* established as a State highway, the portion of the highway *which the act fails to include because of the presence of the boundary line, whether such portion may be outside of or within* the corporate limits of the city, borough, or incorporated town, is hereby established as, *or shall hereafter automatically become*, a State highway, and shall be constructed and maintained by the Department of Highways in accordance with the provisions of existing laws governing State highways in cities or boroughs *or in townships, as the case may be*.

Certain municipal roads made State highways.

Shall be constructed and maintained by the State.

Section 2. This act shall become effective immediately upon final enactment.

When effective.

APPROVED—The 11th day of June, A. D. 1935.

GEORGE H. EARLE

No. 138

AN ACT

To further amend section one thousand four hundred and one of the act, approved the ninth day of April, one thousand nine hundred and twenty-nine (Pamphlet Laws, three hundred forty-three), 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," by providing for releasing parts of the real property of a corporation from the lien of State taxes upon payment of a proportionate share of such taxes.

Section 1401, act of April 9, 1929 (P. L. 343), as amended by section 1, act of June 3, 1933 (P. L. 1474) further amended.

Section 1. Be it enacted, &c., That section one thousand four hundred and one of the act, approved the ninth day of April, one thousand nine hundred and twenty-nine (Pamphlet Laws, three hundred forty-three), 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," as amended by section one of the act, approved the third day of June, one thousand nine hundred and thirty-three (Pamphlet Laws, one thousand four hundred seventy-four), is hereby further amended to read as follows:

Section 1401. Liens of Taxes, Interest, Penalties, and Other Accounts Due to the Commonwealth.—All State taxes imposed under the authority of any law of this Commonwealth, now existing or that may hereafter be enacted, and unpaid bonus, interest, penalties, and all public accounts settled against any corporation, association, or person, shall be a first lien upon the franchises and property, both real and personal, of such corporation, association, or person, from the date of settlement, and whenever the franchises or property of a corporation, association, or person shall be sold at a judicial sale, all taxes, interest, bonus, penalties, and public accounts due the Commonwealth shall first be allowed and paid out of the proceeds of such sale before any judgment, mortgage, or any other claim or lien against such corporation, association, or person: Provided, however, Where the lien of a ground rent, mortgage, or other lien created by or entered against a predecessor in title to such corporation, association, or person is discharged by a judicial sale, the lien of the Commonwealth shall be transferred from the property sold to the fund realized from the sale, and the purchaser shall take free of the lien of the Commonwealth, notwithstanding that the fund may be insufficient to pay all or any part of the same, and on distribution of the fund, the Commonwealth's lien shall be postponed in payment to said lien or liens created by or entered against such predecessor in title, but shall not be postponed in payment to local taxes or municipal claims: *Provided further, That the Department of Revenue, with the approval of the Attorney General and Auditor General, may release from the lien of such taxes, such part or parts of the real property of any corporation, as may be requested by such corporation or owners or lien creditors thereof, upon payment of such proportionate part of the taxes due as the value of the real property released bears to the value of all the real property bound by such lien, and the department shall furnish the person or corporation paying such tax with a certificate showing the property released, which certificate may be recorded in the office of the recorded of deeds of the county in which the land lies.* But the lien of transfer inheritance taxes shall be limited to the property chargeable therewith, and, unless such taxes shall be sued for within five years after they are due, they shall cease to be a lien as against any purchaser of real estate.

State taxes are a lien, upon all of debtor's property, from date of settlement.

Distribution of proceeds upon judicial sale of debtor's property.

Proviso.

Proviso.

Lien of inheritance taxes.

Section 2. The provisions of this act shall become effective immediately upon final enactment.

When effective.

APPROVED—The 11th day of June, A. D. 1935.

GEORGE H. EARLE