

Section 13. The provisions of this act are severable, and if any of its provisions shall be held to be unconstitutional, the decision of the court shall not affect or impair any of the remaining provisions of this act. It is hereby declared to be the legislative intent that this act would have been adopted had such unconstitutional provisions not been included herein.

Provisions of act to be severable.

Section 14. This act shall become effective thirty days after its final enactment, and shall continue in effect until, and including, the thirty-first day of May, one thousand nine hundred [forty-three] *forty-five*.

Act effective until May 31, 1945.

Section 2. This reenacting and amending act shall become effective immediately upon its final enactment.

Act effective immediately.

APPROVED—The 7th day of May, A. D. 1943.

EDWARD MARTIN

No. 108

AN ACT

To reenact and amend the title and the act, approved the sixteenth day of May, one thousand nine hundred thirty-five (Pamphlet Laws, two hundred eight), entitled, as amended "An act to provide revenue for State purposes by imposing an excise tax, for a limited period of time, on the net incomes of certain corporations, joint-stock associations, and limited partnerships; providing for the assessment, collection, settlement and resettlement of taxes, and reviews and appeal therefrom; conferring powers, and imposing duties on certain persons, corporations, joint-stock associations, limited partnerships, State and county officers, boards, and departments; making an appropriation; and providing penalties," as previously reenacted and amended, by extending the provisions of the act for a further limited period of time, by reducing the rate of tax; eliminating the deduction for Federal taxes; further defining net income; authorizing the Department of Revenue to grant an additional extension of time for filing reports, changing the method of reporting in certain cases, reducing the interest penalty on unpaid taxes and making certain of the changes effected by this reenacting and amending act retroactive to a certain extent.

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

Taxation.

Section 1. The title and all the sections of the act, approved the sixteenth day of May, one thousand nine hundred thirty-five (Pamphlet Laws, two hundred eight), entitled, as amended "An act to provide revenue for State purposes by imposing an excise tax, for a limited period of time, on the net incomes of certain corporations, joint-stock associations, and limited partnerships; providing for the assessment, collection, settlement and resettlement of taxes, and reviews and appeal therefrom; conferring powers, and imposing duties on

Corporate Net Income Tax Act.

Act of May 16, 1935, P. L. 208, title and all sections, as last reenacted and amended by act of May 29, 1941, P. L. 62, reenacted and further amended.

certain persons, corporations, joint-stock associations, limited partnerships, State and county officers, boards, and departments; making an appropriation; and providing penalties," as last reenacted and amended by the act, approved the twenty-ninth day of May, one thousand nine hundred forty-one (Pamphlet Laws, sixty-two), are hereby reenacted and further amended to read as follows:

AN ACT

To provide revenue for State purposes by imposing an excise tax, for a limited period of time, on the net incomes of certain corporations, joint-stock associations, and limited partnerships; providing for the assessment, collection, settlement and resettlement of taxes, and reviews and appeal therefrom; conferring powers, and imposing duties on certain persons, corporations, joint-stock associations, limited partnerships, State and county officers, boards, and departments; making an appropriation; and providing penalties.

Section 1. Short Title.—Be it enacted, &c., That this act shall be known, and may be cited, as the "Corporate Net Income Tax Act."

Definitions.

Section 2. Definitions.—The following words, terms, and phrases, when used in this act, shall have the meaning ascribed to them in this section, except where the context clearly indicates a different meaning.

"Corporation."

"Corporation." A corporation having capital stock, joint-stock association, or limited partnership either organized under the laws of this Commonwealth, the United States, or any other state, territory, or foreign country, or dependency, and doing business in this Commonwealth, or having capital or property employed or used in this Commonwealth by or in the name of itself, or any person, partnership, association, limited partnership, joint-stock association, or corporation. The word "corporation" shall not include building and loan associations, banks, bank and trust companies, national banks, savings institutions, trust companies, title insurance companies, beneficial life and limited life insurance companies, mutual fire, mutual casualty and mutual life insurance companies, and foreign stock companies registered in this Commonwealth and therein engaged in doing business as life, fire and casualty insurance companies, and surety companies.

"Department."

"Department." The Department of Revenue of this Commonwealth.

Net Income.

"Net Income." 1. In case the entire business of the corporation is transacted within this Commonwealth, net income for the calendar year or fiscal year as returned to and ascertained by the Federal Government,

Corporations
doing business
in Pennsylvania
only.

or in the case of a corporation participating in the filing of consolidated returns to the Federal Government, the net income which would have been returned to and ascertained by the Federal Government if separate returns had been made to the Federal Government for the current and prior taxable years subject, however, to any correction thereof, for fraud, evasion, or error as finally ascertained by the Federal Government: Provided, That except as hereinafter otherwise provided additional deductions shall be allowed from net income on account of any Federal income or excess profits taxes paid after deducting therefrom an amount equivalent to any post-war refunds applicable to any such taxes during such calendar or fiscal year for the preceding calendar or fiscal year, or accrued during such calendar or fiscal year for such year, as the case may be, and on account of any dividends received from any other corporation: And provided further, That in the case of a corporation participating in the filing of consolidated Federal returns the additional deduction allowed from net income on account of any Federal income or excess profits taxes paid or accrued shall be an amount which bears the same ratio to the total Federal income or excess profits taxes of the group after deducting therefrom an amount equivalent to any post-war refunds applicable to any such taxes as the net income of the corporation computed without a deduction for such Federal taxes bears to the sum of the net incomes of the several members of the group computed without a deduction for such Federal taxes: And provided further, That on reports filed for the calendar year one thousand nine hundred forty-three or for any fiscal year beginning in such calendar year or any calendar or fiscal year thereafter no deduction shall be allowed for any Federal income or excess profits taxes whatsoever: And provided further, That in the case of stock, life, fire, casualty, and indemnity insurance companies doing business on the mutual or participating plan, the term "net income" shall not include the dividends paid to policyholders out of net income.

2. In case the entire business of any corporation, other than a corporation engaged in doing business as an insurance or surety company, is not transacted within this Commonwealth, the tax imposed by this act shall be based upon such portion of the net income of such corporation for the fiscal or calendar year, as defined in clause one hereof, as may be determined by allocations and apportionments made as follows:

(a) Gains realized from the sale of capital assets, if such assets consist of real estate or tangible personal property situated in the Commonwealth, shall be allocated to this Commonwealth.

Corporations not doing business exclusively in Pennsylvania, other than insurance or surety companies.

(b) Gains realized from the sale of capital assets, if such assets consist of real estate or tangible personal property situated outside of the Commonwealth, shall not be allocated in any part to this Commonwealth.

(c) The remainder of such net income shall be divided into three equal parts.

(1) Of one-third, such portion shall be attributed to business carried on within this Commonwealth, as shall be found by multiplying said one-third by a fraction, whose numerator is the value of the corporation's tangible property situated within this Commonwealth, and whose denominator is the value of all the corporation's tangible property wherever situated.

(2) Of one-third, such portion shall be attributed to business carried on within the Commonwealth, as shall be found by multiplying said one-third by a fraction, whose numerator is the expenditures of the corporation for wages, salaries, commissions and other compensation to its employes, and assignable to this Commonwealth as hereinafter provided, and whose denominator is the total expenditures of the corporation for wages, salaries, commissions, and other compensation to all its employes.

(3) Of the remaining third, such portion shall be attributed to business carried on within the Commonwealth, as shall be found by multiplying said third by a fraction, whose numerator is the amount of the taxpayer's gross receipts from business assignable to this Commonwealth as hereinafter provided, and whose denominator is the amount of the taxpayer's gross receipts from all its business.

In cases where only two of the foregoing three rules are applicable, the remainder of the net income of the corporation shall be divided into two equal parts only, each of which shall be apportioned in accordance with one of the remaining two rules. If only one of the three rules is applicable, the part of the net income received from business carried on within the Commonwealth shall be determined solely by that rule.

The amount assignable to this Commonwealth of expenditures of the corporation for wages, salaries, commissions, or other compensation to its employes, shall be such expenditures for the taxable year as represent the wages, salaries, commissions, or other compensation of employes, not chiefly situated at, connected with, or sent out from, premises for the transaction of business maintained by the corporation outside the Commonwealth.

The amount of the corporation's gross receipts from business assignable to this Commonwealth shall be the amount of its gross receipts for the taxable year from, (1) sales, fees, and commissions, except those negotiated

or effected in behalf of the corporation by agents or agencies chiefly situated at, connected with, or sent out from, premises for the transaction of business maintained by the taxpayer outside of the Commonwealth, (2) rentals or royalties from property situated, or from the use of patents, within this Commonwealth, and (3) dividends and interest, except such dividends and interest attributable to the business conducted on premises maintained by the taxpayer outside the Commonwealth. If a corporation maintains an office, warehouse, or other place of business in a state other than this Commonwealth for the purpose of reducing its tax under this subsection, the department shall, in determining the amount of its gross receipts from business assignable to this Commonwealth, include therein the gross receipts attributed by the corporation to the business conducted at such place of business in another state.

A rule shall not be deemed to be inapplicable merely because all the tangible property or the expenditures of a corporation for wages, salaries, commissions, or other compensation, or the gross receipts of the corporation are found to be situated, incurred or received without the Commonwealth.

3. In case the entire business of any corporation engaged in doing business as an insurance or surety company is not transacted within this Commonwealth, the tax imposed by this act shall be based upon such portion of the net income of such corporation, for the fiscal or calendar year as defined in clause one hereof, as shall be attributed to business transacted within this Commonwealth, by multiplying such net income by a fraction, of which the numerator is the gross premiums received from business transacted within the Commonwealth, as hereinafter defined, and of which the denominator is the amount of the gross premiums received from all its business. "Gross Premiums" shall mean the amount of dues, fees, and premiums stated in the policy contracts, and shall include gross premiums of every character and description received during the taxable year from all underwriting activities, whether said premiums were received in money or in the form of notes, credits, or any other substitute for money, less the following deductions:

(a) All premiums returned on policies cancelled or not taken.

(b) In the case of stock companies with participating features, an additional deduction for that portion of the premiums returned to the policyholders.

(c) In the case of life insurance companies, an additional deduction for dividends declared and actually used by policyholders in payment of renewal premiums.

"Gross premiums received from business transacted

Insurance and
surety companies
not doing business
exclusively
in Pennsylvania.

"Gross premiums received from business transacted in the Commonwealth."

in the Commonwealth" shall mean gross premiums received from policies and annuities written on property or risks located or resident in this Commonwealth, whether such premiums were collected in this Commonwealth or elsewhere.

"Person."

"Person." Every natural person, association, or corporation. Whenever used in any clause prescribing and imposing a fine or imprisonment, or both, the term "person," as applied to associations, shall mean the partners or members thereof, and as applied to corporations, the officers thereof.*

The singular shall include the plural, and the masculine shall include the feminine and neuter.

Tax imposed upon privilege of doing business or having capital employed in the Commonwealth.

Section 3. Imposition of Tax.—Every corporation shall be subject to, and shall pay for the privilege of doing business in this Commonwealth, or having capital or property employed or used in this Commonwealth, by or in the name of itself, or any person, partnership, association, limited partnership, joint-stock association, or corporation, a State excise tax at the rate of six per centum per annum upon each dollar of net income of such corporation received by, and accruing to, such corporation during the calendar year one thousand nine hundred thirty-five, except where a corporation reports to the Federal Government on the basis of a fiscal year, and has certified such fact to the department as required by section four of this act, in which case, such tax, at the rate of six per centum, shall be levied, collected, and paid upon all net income received by, and accruing to, such corporation during the fiscal year commencing in the calendar year one thousand nine hundred and thirty-five and ending in the calendar year one thousand nine hundred thirty-six, a similar tax at the rate of ten per centum per annum upon each dollar of the net income of such corporation received by, and accruing to, such corporation during the calendar year one thousand nine hundred thirty-six, except where a corporation reports to the Federal Government on the basis of a fiscal year, and has certified such fact to the department as required by section four of this act, in which case, such tax, at the rate of ten per centum, shall be levied, collected, and paid upon all net income received by, and accruing to, such corporation during the fiscal year commencing in the calendar year one thousand nine hundred thirty-six and ending in the calendar year one thousand nine hundred thirty-seven, and a similar tax at the rate of seven per centum per annum upon each dollar of the net income of such corporation during the calendar years one thousand nine hundred thirty-seven, one thousand nine hundred thirty-eight, one thousand nine hundred thirty-nine, one thousand nine hundred forty, one thousand nine hundred forty-one, and one thousand nine

Rates.

* "therof" in original.

hundred forty-two, except when a corporation reports to the Federal Government on the basis of a fiscal year, and has certified such fact to the department as required by section four of this act, in which case, such tax at the rate of seven per centum shall be levied, collected, and paid upon all net income received by, and accruing to, such corporation during the fiscal years commencing in the calendar years one thousand nine hundred thirty-seven, one thousand nine hundred thirty-eight, one thousand nine hundred thirty-nine, one thousand nine hundred forty, one thousand nine hundred forty-one, and one thousand nine hundred forty-two, *and a similar tax at the rate of four per centum per annum upon each dollar of the net income of such corporation received by and accruing to such corporation during the calendar years one thousand nine hundred forty-three and one thousand nine hundred forty-four, except where a corporation reports to the Federal Government on the basis of a fiscal year and has certified such fact to the department as required by section four of this act, in which case such tax at the rate of four per centum shall be levied, collected and paid upon all net income received by and accruing to such corporation during the fiscal years commencing in the calendar years one thousand nine hundred forty-three, and one thousand nine hundred forty-four.*

The tax hereby imposed shall be in addition to all taxes now imposed on any corporation under the provisions of existing laws.

Section 4. Report and Payment of Tax.—For the purpose of ascertaining the amount of tax payable under this act, it shall be the duty of every corporation, liable to pay tax under this act, on or before the fifteenth day of April, one thousand nine hundred thirty-six, one thousand nine hundred thirty-seven, one thousand nine hundred thirty-eight, one thousand nine hundred thirty-nine, one thousand nine hundred forty, one thousand nine hundred forty-one, one thousand nine hundred forty-two, [and] one thousand nine hundred forty-three, *one thousand nine hundred forty-four, and one thousand nine hundred forty-five* to transmit to the department, upon a form prescribed, prepared, and furnished by the department, a report under oath or affirmation of its president, vice-president or other principal officer, and of its treasurer or assistant treasurer, of net income taxable under the provisions of this act. Such report shall set forth:

(a) A true copy of its return to the Federal Government of the annual net income arising or accruing in the calendar or fiscal year next preceding, or such part or portions of said return, as the department may designate.

Corporations
required to file
reports of
net income.

Contents of
report.

(b) If no return was filed with the Federal Government, the report made to the department shall show such information as would have been contained in a return to the Federal Government, had one been made, and

(c) Such other information as the department may require.

The failure of any corporation, liable to pay tax under this act, to procure or receive any report form shall not excuse it from making a report.

Time for
payment of tax.

Every corporation, upon the date its report is required herein to be made, shall pay to the department not less than one-half of the tax due to the Commonwealth by it for such preceding year, and the remaining one-half of such tax shall be paid within the thirty days next succeeding, and, except as otherwise provided by law, no extension of time for the filing of any report granted by the department shall extend the date any tax, imposed by this act, shall be due and payable. The amount of all taxes, imposed under the provisions of this act, not paid on or before the times as above provided, shall bear interest at the rate of six (6) per centum per annum from the date they are due and payable [until sixty (60) days after settlement, and thereafter at the rate of twelve (12) per centum per annum until paid, except that any taxes found due as the result of an appeal to the court of common pleas or any appellate court, shall bear interest at the rate of six per centum per annum from the date such taxes are due and payable] until paid: Provided, however, That any corporation may pay the full amount of such tax, or any part thereof, together with interest due to the date of payment, without prejudice to its right to present and prosecute a petition for resettlement, a petition for review, or an appeal to court. If it be thereafter determined that such taxes were overpaid, the department shall enter a credit to the account of such corporation, which may be used by it in the manner prescribed by law.

Interest on
overdue tax.

Overpayment of
tax not to
prejudice right
of review.

Penalty for
failure to file
true report.

If the officers of any corporation shall neglect, or refuse to make any report as herein required, or shall knowingly make any false report, an additional ten per centum of the amount of the tax shall be added by the department to the tax determined to be due.

Reports by cor-
porations filing
federal income
tax returns on
fiscal year basis.

If any corporation closes its fiscal year not upon the thirty-first day of December, but upon some other date, and reports to the Federal Government as of such other date, or would so report were it to make a return to the Federal Government, such corporation shall certify such fact to the Department of Revenue, and shall make the report, herein required, within thirty (30) days after the return to the Federal Government is due, or would be due were it to be required of such corpora-

tion, subject in all other respects to the provisions of this act.

If the corporation shall claim in its report that the return made to the Federal Government was inaccurate, the amount claimed by it to be the net income, taxable under this act, and the basis of such claim of inaccuracy, shall be fully specified.

Section 5. Consolidated Reports.—The department [may, upon application made to it, in such form as it shall prescribe] *shall not* permit any corporation owning or controlling, directly or indirectly, [a majority] *any* of the voting capital stock of another corporation or of other corporations, subject to the provisions of this act, to make a consolidated report, showing the combined net income. [Provided, That consolidated reports may be made only by corporations making consolidated returns to the Federal Government.]

Section 6. Extension of Time to File Reports.—The department may, upon application made to it, in such form as it shall prescribe, on or prior to the last day for filing any report, and upon proper cause shown, grant to the corporation, required to file such report, an extension of not more than sixty (60) days within which such report may be filed, *and in case the Federal income tax authorities at any time grant a longer extension of time for filing such reports with the Federal Government, the department may grant an additional extension of time for filing the report under this act of not more than thirty (30) days after the termination of the Federal extension, but the amount of tax due shall, in such cases, nevertheless, be subject to interest from the due dates and at the rates fixed by this act.*

Section 7. Changes Made by Federal Government.—

(a) If the amount of the net income, as returned by any corporation to the Federal Government, is finally changed or corrected by the Commissioner of Internal Revenue or by any other agency or court of the United States, such corporation, within thirty (30) days after the receipt of such final change or correction, shall make a corrected report, under oath or affirmation, to the department showing such finally changed or corrected net income, upon which the tax is required to be paid to the United States. In case a corporation fails to file a report of such correction, which results in an increase in net income within the time prescribed, there shall be added to the tax, a penalty of five dollars (\$5.00) for every day during which such corporation is in default, but the department may abate any such penalty in whole or in part.

(b) If, as a result of such final change or correction, there should be any change made in the amount of the net income of any corporation upon which tax is im-

Report of change in federal income tax liability to be filed.

Penalty for failure to file report of change.

posed by this act, the department shall have the power, and its duty shall be [to hear and determine any petition for the resettlement of taxes alleged to have been overpaid, and upon the allowance of such petition] to resettle such taxes. Whenever a resettlement shall have been made hereunder, the department shall resettle the account according to law, and shall credit or charge, as the case may be, the amount resulting from such resettlement upon the current accounts of the corporation with which it is made. The resettlement shall be subject to audit and approval by the Department of the Auditor General, as in the case of original settlements, and in case of the failure of the two departments to agree, the resettlement shall be submitted to the Board of Finance and Revenue, as in the case of original settlements.

Settlement of tax.

Section 8. Settlement and Resettlement.—(a) All taxes due under this act shall be settled by the department, and such settlement shall be subject to audit and approval by the Department of the Auditor General, and shall, so far as possible, be made so that notice thereof may reach the taxpayer before the end of a year after the tax report was required to be made.

Notice of settlement.

(b) Promptly after the date of any such settlement, the department shall send, by mail or otherwise, a copy thereof to such corporation. The tax imposed by this act shall be settled, resettled, and otherwise imposed and adjusted in the same manner, within the same periods of time, and right of resettlement, review, appeal, and refund, as provided by law in the case of capital stock and franchise taxes imposed upon corporations.

Settlement and review procedure to be same as that followed for capital stock and franchise taxes.

(c) If, within a period of two years after the date of any settlement, the department is not satisfied with such settlement, or if at any time the net income as returned by any corporation to the Federal Government is finally changed or corrected by the Commissioner of Internal Revenue or by any other agency or court of the United States with the result that tax, in addition to the amount paid, is due under this act, the department is hereby authorized and empowered to make a resettlement of the tax due by such corporation, based upon the facts contained in the report, or upon any information within its possession or that shall come into its possession.

Department may resettle within two years of settlement or at any time that federal liability is changed.

Whenever a resettlement shall have been made hereunder, the department shall resettle the account according to law and shall credit or charge, as the case may be, the amount resulting from such resettlement upon the current accounts of the corporation with which it is made.

The resettlement shall be subject to audit and approval by the Department of the Auditor General as in

the case of original settlement, and in case of the failure of the two departments to agree, the resettlement shall be submitted to the Board of Finance and Revenue as in the case of original settlements.

(d) If any corporation shall neglect or refuse to make any report and payment of tax required by this act, the department shall estimate the tax due by such corporation and subject to audit and approval by the Department of the Auditor General, settle the amount due by it for taxes, penalties, and interest thereon as prescribed herein, from which settlement there shall be no right of review or appeal, but the department, with the approval of the Department of the Auditor General, may require a report to be filed, and thereupon make a settlement based upon such report and cancel the estimated settlement.

Estimated settlements when no report filed.

Section 9. Enforcement; Rules and Regulations; Inquisitorial Powers of the Department.—(a) The department is hereby charged with the enforcement of the provisions of this act, and is hereby authorized and empowered to prescribe, adopt, promulgate, and enforce rules and regulations, not inconsistent with this act, relating to any matter or thing pertaining to the administration and enforcement of the provisions of this act, and the collection of taxes, penalties, and interest imposed by this act. The department is hereby required to have such rules and regulations, promulgated and adopted, printed and shall distribute the same to any person upon request.

Department to promulgate, print and distribute rules and regulations.

(b) The department, or any agent authorized in writing by it, is hereby authorized to examine the books, papers, and records, and to investigate the character of the business of any corporation in order to verify the accuracy of any report made, or if no report was made by such corporation, to ascertain and settle the tax imposed by this act. Every such corporation is hereby directed and required to give to the department, or its duly authorized agent, the means, facilities, and opportunity for such examinations and investigations, as are hereby provided and authorized. Any information gained by the department, as a result of any returns, investigations, or verifications required to be made by this act, shall be confidential, except for official purposes, and any person divulging such information shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine of not less than one hundred dollars (\$100.00) or more than one thousand dollars (\$1,000.00) and costs of prosecution, or to undergo imprisonment for not more than six (6) months, or both, in the discretion of the court.

Department authorized to investigate affairs of corporations.

Results of investigations to be confidential.

Penalty for divulging confidential information.

(c) Whenever any person, acting for or on behalf of the department, shall in good faith institute legal pro-

Costs incurred in prosecution for violations of the act.

ceedings for any violations of the provisions of this act, and for any reason shall fail to recover costs of record, such costs shall be a charge upon the proper county, as shall such costs in the event defendant is imprisoned for failure to pay fine or costs, or both, and shall be audited and paid as are costs of like character in said county.

Department to hold powers conferred by the act in addition to powers already possessed.

(d) The powers, conferred by this act upon the department, relating to the administration or enforcement of this act, shall be in addition to, but not exclusive of, any other powers heretofore or hereafter conferred upon the department by law.

Corporations required to keep records for three years.

Section 10. Retention of Records by Corporations; Penalty.—Each corporation shall maintain and keep for a period of three (3) years after any report is filed under this act, such record or records of its business within this Commonwealth for the period covered by such report and other pertinent papers, as may be required by the department.

Penalty for failure.

Any person violating any of the provisions of this section shall be guilty of a misdemeanor, and shall, upon conviction thereof, be sentenced to pay a fine not exceeding one thousand dollars (\$1,000.00) and costs of prosecution, or to undergo imprisonment for not more than six (6) months, or both, in the discretion of the court.

Penalty for making false return of net income.

Section 11. Penalties.—(a) Any person, who shall wilfully make a false and fraudulent return of net income made taxable by this act, shall be guilty of wilful and corrupt perjury, and, upon conviction thereof, shall be subject to punishment as provided by law. Such penalty shall be in addition to any other penalties imposed by this act.

Penalty for failure to make any return or to pay tax.

(b) Any person, who wilfully fails, neglects, or refuses to make a report or to pay the tax as herein prescribed, or who shall refuse to permit the department to examine the books, papers, and records of any corporation liable to pay tax under this act, shall be guilty of a misdemeanor, and, upon conviction thereof, shall be sentenced to pay a fine not exceeding one thousand dollars (\$1,000.00) and costs of prosecution, or to undergo imprisonment not exceeding six (6) months, or both, in the discretion of the court. Such penalty shall be in addition to any other penalties imposed by this act.

Provisions of act to be severable.

Section 12. Constitutional Construction.—The provisions of this act are severable, and if any of its provisions shall be held unconstitutional, the decision of the court shall not affect or impair any of the remaining provisions of this act. It is hereby declared to be the legislative intent that this act would have been adopted had such unconstitutional provisions not been included herein.

Act to continue effective until 1945.

Section 13. Effective Date.—This act shall become effective immediately upon its final enactment, and shall remain in force, only for the imposition and collection

of taxes on net income of corporations for the [eight] *ten* calendar years one thousand nine hundred thirty-five, one thousand nine hundred thirty-six, one thousand nine hundred thirty-seven, one thousand nine hundred thirty-eight, one thousand nine hundred thirty-nine, one thousand nine hundred forty, one thousand nine hundred forty-one, [and] one thousand nine hundred forty-two, *one thousand nine hundred forty-three, and one thousand nine hundred forty-four*, or for the [eight] *ten* fiscal years ending in the calendar years one thousand nine hundred thirty-six, one thousand nine hundred thirty-seven, one thousand nine hundred thirty-eight, one thousand nine hundred thirty-nine, one thousand nine hundred forty, one thousand nine hundred forty-one, one thousand nine hundred forty-two, [and] one thousand nine hundred forty-three, *one thousand nine hundred forty-four, and one thousand nine hundred forty-five*.

Section 2. This reenacting and amending act shall become effective immediately upon its final enactment, and in addition to its prospective operation shall, except to the extent its context expressly indicates otherwise, be applicable also to the tax upon net income received by or accruing to corporations during the calendar year one thousand nine hundred forty-two or during any fiscal year commencing in the calendar year one thousand nine hundred forty-two, as the case may be.

Act effective
immediately.

APPROVED—The 7th day of May, A. D. 1943.

EDWARD MARTIN

No. 109

AN ACT

To further amend the act, approved the ninth day of April, one thousand nine hundred 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