

Section 22. General Repealer.—

All other acts and parts of acts inconsistent herewith are hereby repealed.

APPROVED—The 23rd day of April, A. D. 1956.

GEORGE M. LEADER

No. 501

AN ACT

Amending the act of June twenty, one thousand nine hundred nineteen (Pamphlet Laws 521), entitled, as amended, "An act providing for the imposition and collection of certain taxes upon the transfer of property passing from a decedent who was a resident of this Commonwealth at the time of his death, and of property within this Commonwealth of a decedent who was a nonresident of the Commonwealth at the time of his death; defining and taxing transfers made in contemplation of death; defining as a transfer and taxing the right of survivorship in property as to which such right exists; and making it unlawful for any corporation of this Commonwealth, or national banking association located therein, to transfer the stock of such corporation or banking association, standing in the name of any such decedent, until the tax on the transfer thereof has been paid; and providing penalties; and citing certain acts for repeal," changing the tax rate on property transferred to lineal descendants of adopted children.

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

Section 1. Section two, act of June twenty, one thousand nine hundred nineteen (Pamphlet Laws 521), entitled, as amended, "An act providing for the imposition and collection of certain taxes upon the transfer of property passing from a decedent who was a resident of this Commonwealth at the time of his death, and of property within this Commonwealth of a decedent who was a nonresident of the Commonwealth at the time of his death; defining and taxing transfers made in contemplation of death; defining as a transfer and taxing the right of survivorship in property as to which such right exists; and making it unlawful for any corporation of this Commonwealth, or national banking association located therein, to transfer the stock of such corporation or banking association, standing in the name of any such decedent, until the tax on the transfer thereof has been paid; and providing penalties; and citing certain acts for repeal," amended December twenty-one, one thousand nine hundred fifty-one (Pamphlet Laws 1713), is amended to read:

Section 2, act of June 20, 1919, P. L. 521, amended December 21, 1951, P. L. 1713, further amended.

Section 2. All taxes imposed by this act shall be imposed upon the clear value of the property subject Rate of direct tax.

Rate of collateral tax.

Proviso.

Allowable deduction.

Proviso.

Further proviso.

to the tax and shall be at the rate of two percentum upon the clear value of the property, subject to such tax passing to or for the use of father, mother, husband, wife, children, lineal descendants born in lawful wedlock, legally adopted children, *lineal descendants of legally adopted children*, children of a former husband or wife, or the wife or widow of the son, of a person dying seized or possessed thereof, and also on the clear value of such property passing from the mother of an illegitimate child, or from any person of whom the mother is a lineal descendant, to such child, his wife, or widow, and passing from an illegitimate child to his mother; and at the rate of fifteen per centum upon the clear value of the property subject to such tax passing to or for the use of any other person or persons, bodies corporate or politic; to be paid for the use of the Commonwealth: Provided, That when the transfer is by the intestate laws of this Commonwealth and at the expiration of seven years from the date of the death of the intestate the estate of the intestate has not been distributed, the taxes imposed by this act shall be at the rate of eighty per centum upon the clear value of the property, subject to such tax passing to or from the use of a first cousin or other relative more remote in degree than a first cousin, and the taxes imposed by this proviso are imposed upon every transfer by the intestate laws of this Commonwealth of an estate or a portion of an estate, which estate or portion thereof shall not have been distributed prior to the passage of this act. In ascertaining the clear value of such estates, the only deductions to be allowed from the gross values of such estates by the register of wills shall be the debts of the decedent, reasonable and customary funeral expenses, bequests, or devices in trust, in reasonable amounts, the entire interest or income from which is to be perpetually applied to the care and preservation of the family burial lot or lots, their enclosures and structures erected thereon, reasonable expenses for the erection of monuments or grave stones, grave and lot markers and the expenses of the administration of such estates, and no deduction whatsoever shall be allowed for or on account of any taxes paid on such estates to the Government of the United States or to any other State or Territory, except as otherwise provided in section one of this act: Provided, That the deductions herein allowed in the case of any indebtedness of the decedent shall, when founded upon a promise or agreement, be limited to the extent that they were contracted bona fide and for an adequate and full consideration in money or money's worth: And provided further, That whenever the allowance of any deduction by the register of wills from the gross value of such estates shall be in dispute,

the question of allowance shall be determined by the court having jurisdiction of the accounts of the personal representative of the decedent in the adjudication made by such court upon any such account, and unless either party shall, by exceptions to the account or to the adjudication thereon duly presented as provided by law, raise its objection to the allowance or disallowance of a deduction for any credit claimed in the account or any award made in the adjudication, as the case may be, the adjudication confirming the account or making the award shall conclusively establish that the deduction should be allowed or disallowed, as the case may be.

APPROVED—The 3rd day of May, A. D. 1956.

GEORGE M. LEADER

No. 502

AN ACT

Amending the act of May five, one thousand nine hundred twenty-one (Pamphlet Laws 374), entitled "An act providing for the licensing and regulation of corporations, copartnerships, associations, and individuals, engaged in the business of receiving payments or contributions to be held or used in any plan of accumulation or investment, or of issuing, negotiating, offering for sale, or selling any certificates, securities, contracts, or other choses in actions evidenced by writing on the partial payment or instalment plan, or of assuming fixed obligations, or issuing, in connection therewith, a contract based upon payments being made upon instalments or single payments, under which all or part of the total amount received is to be repaid at some future time, with or without profit, and imposing penalties," authorizing deposit of bonds of authorities created by the State or political sub-divisions as security for licensure.

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

Securities
Commission.

Section 1. Section four, act of May five, one thousand nine hundred twenty-one (Pamphlet Laws 374), entitled "An act providing for the licensing and regulation of corporations, copartnerships, associations, and individuals, engaged in the business of receiving payments or contributions to be held or used in any plan of accumulation or investment, or of issuing, negotiating, offering for sale, or selling any certificates, securities, contracts, or other choses in actions evidenced by writing on the partial payment or instalment plan, or of assuming fixed obligations, or issuing, in connection therewith, a contract based upon payments being made upon instalments or single payments, under which all or part of the total amount received is to be repaid at some future time, with or without profit; and imposing penalties," amended May fifteen, one thousand nine hun-

Section 4, act of
May 5, 1921,
P. L. 374,
amended May 15,
1933, P. L. 788,
further amended.