

No. 22

AN ACT

Amending the act of June 13, 1907 (P. L. 640), entitled "An act to provide revenue by levying a tax upon the shares of stock of companies incorporated under the provisions of section twenty-nine of an act, entitled 'An act to provide for the incorporation and regulation of certain corporations,' approved April twenty-ninth, one thousand eight hundred and seventy-four, and the supplements thereto; for the insurance of owners of real estate, mortgages, and others interested in real estate, from loss by reason of defective titles, liens, and encumbrances; and of companies entitled to the benefits of, and of companies having any of the powers of, companies entitled to the benefits of an act, entitled 'An act conferring upon certain fidelity, insurance, safety deposit, trust, and savings companies the powers and privileges of companies incorporated under the provisions of section twenty-nine of an act entitled, "An act to provide for the incorporation and regulation of certain corporations," approved April twenty-ninth, Anno Domini one thousand eight hundred and seventy-four, and of the supplements thereto,' approved June twenty-seventh, one thousand eight hundred and ninety-five, commonly known as title insurance or trust companies," increasing the rate of tax on shares of capital stock of every title insurance or trust company, bank and trust company, or trust company, and changing the date for the determination of the base of the tax.

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

Section 1. Section 1 of the act of June 13, 1907 (P. L. 640), entitled "An act to provide revenue by levying a tax upon the shares of stock of companies incorporated under the provisions of section twenty-nine of an act, entitled 'An act to provide for the incorporation and regulation of certain corporations,' approved April twenty-ninth, one thousand eight hundred and seventy-four, and the supplements thereto; for the insurance of owners of real estate, mortgages, and others interested in real estate, from loss by reason of defective titles, liens, and encumbrances; and of companies entitled to the benefits of, and of companies having any of the powers of, companies entitled to the benefits of an act, entitled 'An act conferring upon certain fidelity, insurance, safety deposit, trust, and savings companies the powers and privileges of companies incorporated under the provisions of section twenty-nine of an act, entitled "An act to provide for the incorporation and regulation of certain corporations," approved April twenty-ninth, Anno Domini one thousand eight hundred and seventy-four, and of the supplements thereto,' approved June twenty-seventh, one thousand eight hundred and ninety-five, commonly known as title insurance or trust companies," amended October 26, 1959 (P. L. 1376), is amended to read:

Taxation.

Section 1, act of June 13, 1907, P. L. 640, last amended October 26, 1959, P. L. 1376, further amended.

Tax on shares of title insurance, trust and bank and trust companies.

Section 1. Be it enacted, &c., That from and after the passage of this act, every company incorporated under the provisions of section twenty-nine of an act, entitled "An act to provide for the incorporation and regulation of certain corporations," approved April twenty-ninth, one thousand eight hundred and seventy-four, and its supplements, or any other act of Assembly heretofore or hereafter approved, for the insurance of owners of real estate, mortgages, and others interested in real estate, from loss by reason of defective titles, liens, and encumbrances, and every company entitled to benefits of, and every company having any of the powers of, companies entitled to the benefits of an act, entitled "An act conferring upon certain fidelity, insurance, safety deposit, trust, and savings companies, the powers and privileges of companies incorporated under the provisions of section twenty-nine of an act, entitled 'An act to provide for the incorporation and regulation of certain corporations,' approved April twenty-ninth, Anno Domini one thousand eight hundred and seventy-four, and of the supplements thereto," approved June twenty-seventh, one thousand eight hundred and ninety-five, commonly known as title insurance or trust companies, and every company organized as a bank and trust company or as a trust company under any act of Assembly heretofore or hereafter approved, except any such companies, all of the shares of capital stock of which (other than shares necessary to qualify directors) are owned by a company which is liable to pay to the Commonwealth a tax on shares, shall, on or before the fifteenth day of April in each and every year *up to and including the year one thousand nine hundred sixty-one*, make to the Department of Revenue a report in writing, setting forth the full number of shares of the capital stock subscribed for or issued by such company, and the actual value thereof as of December thirty-first preceding, which shall be ascertained as hereinafter provided [; and thereupon it]. *For the calendar year beginning the first day of January, one thousand nine hundred sixty-one, and each year thereafter, every such company shall, on or before the fifteenth day of April of the year one thousand nine hundred sixty-one, and every year thereafter, make to the Department of Revenue a report, in writing, setting forth the full number of shares of the capital stock subscribed for or issued by such company and the actual value thereof as of the first day of January preceding, which shall be ascertained as hereinafter provided.* It shall be the duty of the Department of Revenue, for the calendar years ending December thirty-first, one thousand nine hundred thirty-six, December thirty-first, one thousand nine hundred thirty-seven, December thirty-first, one thousand

Time of making reports to the Department of Revenue.

Reports for 1961 and thereafter.

Duty of Department of Revenue.

nine hundred thirty-eight, December thirty-first, one thousand nine hundred thirty-nine, December thirty-first, one thousand nine hundred forty, December thirty-first, one thousand nine hundred forty-one, and December thirty-first, one thousand nine hundred forty-two, to assess such shares for taxation at the rate of eight mills upon each dollar of the actual value thereof, and for the calendar year ending December thirty-first, one thousand nine hundred forty-three at the rate of five mills upon each dollar of the actual value thereof, and thereafter for each year to and including the calendar year ending December thirty-first, one thousand nine hundred fifty-eight, at the rate of four mills upon each dollar of the actual value thereof, and for the calendar years ending December thirty-first, one thousand nine hundred fifty-nine, and December thirty-first, one thousand nine hundred sixty, and for the calendar year beginning the first day of January, one thousand nine hundred sixty-one, and each year thereafter, at the rate of eight mills upon each dollar of the actual value thereof [and for the calendar year ending December thirty-first, one thousand nine hundred sixty-one and thereafter at the rate of four mills upon each dollar of the actual value thereof]; the actual value of each share of stock to be ascertained and fixed by adding together the amount of capital stock paid in, the surplus, and undivided profits, and dividing this amount by the number of shares.

Rates of tax.

Ascertainment of value of shares.

Time of payment of tax.

Proviso.

It shall be the duty of every such company, at the time of making every report required by this section, to compute the tax and to pay the amount of said tax to the State Treasurer, through the Department of Revenue, either from its general fund, or from the amount of said tax collected from its shareholders: *Provided, That for the calendar year beginning the first day of January, one thousand nine hundred sixty-one, and each year thereafter, every such company shall, at the time of making its report for the calendar year beginning the first day of January, one thousand nine hundred sixty-one, and each year thereafter, compute the tax and pay to the State Treasurer, through the Department of Revenue, either from its general fund, or from the amount of said tax collected from its shareholders, not less than eighty per centum (80%) of the tax due to the Commonwealth by it for such calendar year and the remaining tax due shall be paid at the time when the report herein required for the year next succeeding is made: Provided, That upon the payment of the tax fixed by this act into the State Treasury, through the Department of Revenue, the shares and so much of the capital stock, surplus, profits, and deposits of such company as shall not be invested in real estate, shall be exempt from*

Proviso.

Shares taxed hereunder to be exempt from other taxes.

all other taxation under the laws of this Commonwealth. The procedure, in case the Department of Revenue be not satisfied with the report made by any title insurance or trust company, and the penalties for failing to make such report and pay the tax, shall be as provided by law.

Effective date.

Section 2. This act shall become effective the first day of March, one thousand nine hundred sixty-one, and shall impose the tax for the calendar year beginning the first day of January, one thousand nine hundred sixty-one, and each year thereafter, and shall not be construed to relieve any company from the reporting and payment of tax imposed by the act to which this is an amendment for the year ending the thirty-first day of December, one thousand nine hundred sixty, and years prior thereto.

APPROVED—The 28th day of February, A. D. 1961.

DAVID L. LAWRENCE

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No. 23

AN ACT

Amending the act of May 25, 1945 (P. L. 1050), entitled "An act relating to the collection of taxes levied by counties, county institution districts, cities of the third class, boroughs, towns, townships, certain school districts and vocational school districts; conferring powers and imposing duties on tax collectors, courts and various officers of said political subdivisions; and prescribing penalties," further regulating compensation of tax collectors in boroughs and townships of the second class.

Local Tax Collection Law.

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

Section 35, act of May 25, 1945, P. L. 1050, amended.

Section 1. Section 35, act of May 25, 1945 (P. L. 1050), known as the "Local Tax Collection Law," is amended to read:

Section 35. Compensation of Tax Collector in Boroughs and Townships of the Second Class.—The tax collector in boroughs and townships of the second class shall receive, as compensation for the collection of county, institution district, borough and township taxes, *salary, wages or* a commission on all such taxes to be fixed by the respective taxing authorities levying such taxes, not exceeding five per centum of the amount collected. In the case of school district taxes, the commission or compensation of the tax collector shall be determined by the board of school directors, and the total cost of such collection shall be reported annually to the Superintendent of Public Instruction, and shall be published in his report.