

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 247

Session of
1977

INTRODUCED BY MESSRS. BRUNNER, GARZIA, VROON, CIANCIULLI,
PANCOAST, ZEARFOSS, MOEHLMANN, POTT, MEBUS, COHEN AND MRS.
SCANLON, FEBRUARY 9, 1977

SENATOR SMITH, FINANCE, IN SENATE, RE-REPORTED AS AMENDED,
NOVEMBER 2, 1977

AN ACT

1 Amending the act of March 4, 1971 (P.L.6, No.2), entitled "An
2 act relating to tax reform and State taxation by codifying
3 and enumerating certain subjects of taxation and imposing
4 taxes thereon; providing procedures for the payment,
5 collection, administration and enforcement thereof; providing
6 for tax credits in certain cases; conferring powers and
7 imposing duties upon the Department of Revenue, certain
8 employers, fiduciaries, individuals, persons, corporations
9 and other entities; prescribing crimes, offenses and
10 penalties," ~~further providing for filing of documents and~~ <—
11 ~~payment of taxes with respect to taxes imposed for education,~~
12 ~~personal income taxes and corporate net income taxes.~~
13 INCREASING THE RATE OF THE PERSONAL INCOME TAX; INCREASING <—
14 THE RATE OF TAX IMPOSED ON CERTAIN CORPORATIONS; CHANGING THE
15 PERIOD FOR SETTLEMENT OF CORPORATE INCOME TAXES AND CHANGING
16 THE PREPAYMENT OF TAX PROVISIONS FOR SUCH TAXES; PRESCRIBING
17 THE EFFECTIVE DATE FOR VARIOUS PROVISIONS AND REPEALING A
18 CERTAIN ACT.

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

21 ~~Section 1. Sections 220, 336 and 403.1 act of March 4, 1971~~ <—
22 ~~(P.L.6, No.2), known as the "Tax Reform Code of 1971," amended~~
23 ~~June 27, 1974 (P.L.376, No.126), are amended to read:~~

24 ~~Section 220. Timely Mailing Treated as Timely Filing and~~

1 ~~Payment. Notwithstanding the provisions of any State tax law to~~
2 ~~the contrary, whenever a report, petition or payment of all or~~
3 ~~any portion of a State tax is required by law to be received by~~
4 ~~the Pennsylvania Department of Revenue or Board of Finance and~~
5 ~~Revenue or other agency of the Commonwealth on or before a day~~
6 ~~certain, the taxpayer shall be deemed to have complied with such~~
7 ~~law if the letter transmitting the report, petition or payment~~
8 ~~of such tax which has been received by the department or Board~~
9 ~~of Finance and Revenue is postmarked by the United States Postal~~
10 ~~Service on or prior to the final day on which the report,~~
11 ~~petition or payment is to be received. Notwithstanding the~~
12 ~~provisions of any State tax law to the contrary, whenever the~~
13 ~~due date for timely filing shall fall on a Saturday, Sunday, or~~
14 ~~a legal holiday, the timely filing date shall be continued to~~
15 ~~midnight of the first full business day following.~~

16 ~~For the purposes of this article, presentation of a receipt~~
17 ~~indicating that the report, petition or payment was mailed by~~
18 ~~registered or certified mail on or before the due date shall be~~
19 ~~evidence of timely filing and payment.~~

20 ~~Section 336. Timely Mailing Treated as Timely Filing and~~
21 ~~Payment. Notwithstanding the provisions of any State tax law to~~
22 ~~the contrary, whenever a report, petition or payment of all or~~
23 ~~any portion of a State tax is required by law to be received by~~
24 ~~the Pennsylvania Department of Revenue, Board of Finance and~~
25 ~~Revenue or other agency of the Commonwealth on or before a day~~
26 ~~certain, the taxpayer shall be deemed to have complied with such~~
27 ~~law if the letter transmitting the report, petition or payment~~
28 ~~of such tax which has been received by the department or Board~~
29 ~~of Finance and Revenue is postmarked by the United States Postal~~
30 ~~Service on or prior to the final day on which the report,~~

~~petition or payment is to be received. Notwithstanding the provisions of any State tax law to the contrary, whenever the due date for timely filing shall fall on a Saturday, Sunday, or a legal holiday, the timely filing date shall be continued to midnight of the first full business day following.~~

~~For the purposes of this article, presentation of a receipt indicating that the report, petition or payment was mailed by registered or certified mail on or before the due date shall be evidence of timely filing and payment.~~

~~Section 403.1. Timely Mailing Treated as Timely Filing and Payment. Notwithstanding the provisions of any State tax law to the contrary, whenever a report, petition or payment of all or any portion of a State tax is required by law to be received by the Pennsylvania Department of Revenue, Board of Finance and Revenue or other agency of the Commonwealth on or before a day certain, the corporation shall be deemed to have complied with such law if the letter transmitting the report, petition or payment of such tax which has been received by the department or Board of Finance and Revenue is postmarked by the United States Postal Service on or prior to the final day on which the report, petition or payment is to be received. Notwithstanding the provisions of any State tax law to the contrary, whenever the due date for timely filing shall fall on a Saturday, Sunday, or a legal holiday, the timely filing date shall be continued to midnight of the first full business day following.~~

~~For the purposes of this article, presentation of a receipt indicating that the report, petition or payment was mailed by registered or certified mail on or before the due date shall be evidence of timely filing and payment.~~

~~Section 2. This act shall take effect immediately.~~

SECTION 1. SECTION 302 OF THE ACT OF MARCH 4, 1971 (P.L.6, NO.2), KNOWN AS THE "TAX REFORM CODE OF 1971," ADDED AUGUST 31, 1971 (P.L.362, NO.93) AND AMENDED MARCH 13, 1974 (P.L.179, NO.32), IS AMENDED TO READ:

SECTION 302. IMPOSITION OF TAX.--(A) THERE IS HEREBY IMPOSED AN ANNUAL TAX TO BE PAID BY RESIDENT INDIVIDUALS, ESTATES OR TRUSTS AT THE RATE OF [TWO PER CENT] TWO AND THREE-TENTHS PER CENT ON THE PRIVILEGE OF RECEIVING EACH OF THE CLASSES OF INCOME HEREINAFTER ENUMERATED IN SECTION 303.

(B) THERE IS HEREBY IMPOSED AN ANNUAL TAX TO BE PAID BY NONRESIDENT INDIVIDUALS, ESTATES OR TRUSTS AT THE RATE OF [TWO PER CENT] TWO AND THREE-TENTHS PER CENT ON THE PRIVILEGE OF RECEIVING EACH OF THE CLASSES OF INCOME ENUMERATED IN SECTION 303 FROM SOURCES WITHIN THIS COMMONWEALTH.

SECTION 2. SECTION 351 OF THE ACT, ADDED AUGUST 31, 1971 (P.L.362, NO.93), IS AMENDED TO READ:

SECTION 351. INTEREST.--IF ANY AMOUNT OF TAX IMPOSED BY THIS ARTICLE IS NOT PAID ON OR BEFORE THE LAST DATE PRESCRIBED FOR PAYMENT, INTEREST ON SUCH AMOUNT AT THE RATE OF [ONE-HALF] THREE-FOURTHS OF ONE PER CENT PER MONTH, FOR EACH MONTH OR FRACTION THEREOF FROM SUCH DATE, SHALL BE PAID FOR THE PERIOD FROM SUCH LAST DATE TO THE DATE PAID. THE LAST DATE PRESCRIBED FOR PAYMENT SHALL BE DETERMINED WITHOUT REGARD TO ANY EXTENSION OF TIME FOR FILING THE RETURN. THIS SECTION SHALL NOT APPLY TO ANY FAILURE TO PAY ESTIMATED TAX.

SECTION 3. SECTION 402 OF THE ACT, AMENDED MARCH 13, 1974 (P.L.179, NO.32), IS AMENDED TO READ:

SECTION 402. 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

1 USED IN THIS COMMONWEALTH, BY OR IN THE NAME OF ITSELF, OR ANY
2 PERSON, PARTNERSHIP, ASSOCIATION, LIMITED PARTNERSHIP, JOINT-
3 STOCK ASSOCIATION, OR CORPORATION, A STATE EXCISE TAX AT THE
4 RATE OF TWELVE PER CENT PER ANNUM UPON EACH DOLLAR OF TAXABLE
5 INCOME OF SUCH CORPORATION RECEIVED BY, AND ACCRUING TO, SUCH
6 CORPORATION DURING THE CALENDAR YEAR 1971 AND THE FIRST SIX
7 MONTHS OF 1972 AND AT THE RATE OF ELEVEN PER CENT PER ANNUM UPON
8 EACH DOLLAR OF TAXABLE INCOME OF SUCH CORPORATION RECEIVED BY,
9 AND ACCRUING TO, SUCH CORPORATION DURING THE SECOND SIX MONTHS
10 OF CALENDAR YEAR 1972 THROUGH THE CALENDAR YEAR 1973 AND AT THE
11 RATE OF NINE AND ONE-HALF PER CENT PER ANNUM UPON EACH DOLLAR OF
12 TAXABLE INCOME OF SUCH CORPORATION RECEIVED BY, AND ACCRUING TO,
13 SUCH CORPORATION DURING THE CALENDAR [YEAR] YEARS 1974, 1975 AND
14 1976 AND AT THE RATE OF ELEVEN PER CENT PER ANNUM UPON EACH
15 DOLLAR OF TAXABLE INCOME OF SUCH CORPORATION RECEIVED BY, AND
16 ACCRUING TO, SUCH CORPORATION DURING THE CALENDAR YEAR 1977 AND
17 EACH CALENDAR YEAR THEREAFTER, EXCEPT WHERE A CORPORATION
18 REPORTS TO THE FEDERAL GOVERNMENT ON THE BASIS OF A FISCAL YEAR,
19 AND HAS CERTIFIED SUCH FACT TO THE DEPARTMENT AS REQUIRED BY
20 SECTION 403 OF THIS ARTICLE, IN WHICH CASE, SUCH TAX, AT THE
21 RATE OF TWELVE PER CENT, SHALL BE LEVIED, COLLECTED, AND PAID
22 UPON ALL TAXABLE INCOME RECEIVED BY, AND ACCRUING TO, SUCH
23 CORPORATION DURING THE FIRST SIX MONTHS OF THE FISCAL YEAR
24 COMMENCING IN THE CALENDAR YEAR 1972 AND AT THE RATE OF ELEVEN
25 PER CENT, SHALL BE LEVIED, COLLECTED, AND PAID UPON ALL TAXABLE
26 INCOME RECEIVED BY, AND ACCRUING TO, SUCH CORPORATION DURING THE
27 SECOND SIX MONTHS OF THE FISCAL YEAR COMMENCING IN THE CALENDAR
28 YEAR 1972 AND DURING THE FISCAL YEAR COMMENCING IN THE CALENDAR
29 YEAR 1973 AND AT THE RATE OF NINE AND ONE-HALF PER CENT, SHALL
30 BE LEVIED, COLLECTED, AND PAID UPON ALL TAXABLE INCOME RECEIVED

1 BY, AND ACCRUING TO, SUCH CORPORATION DURING THE FISCAL YEAR
2 COMMENCING IN THE CALENDAR [YEAR] YEARS 1974, 1975 AND 1976 AND
3 AT THE RATE OF ELEVEN PER CENT, SHALL BE LEVIED, COLLECTED, AND
4 PAID UPON ALL TAXABLE INCOME RECEIVED BY, AND ACCRUING TO, SUCH
5 CORPORATION DURING THE FISCAL YEAR COMMENCING IN THE CALENDAR
6 YEAR 1977 AND DURING EACH FISCAL YEAR THEREAFTER. NO PENALTY
7 PRESCRIBED BY SUBSECTION (E) OF SECTION 1202.1 SHALL BE ASSESSED
8 AGAINST A CORPORATION FOR THE ADDITIONAL TAX WHICH MAY BE DUE AS
9 A RESULT OF THE INCREASE IN TAX RATE FROM NINE AND ONE-HALF PER
10 CENT TO ELEVEN PER CENT IMPOSED RETROACTIVELY BY THIS SECTION
11 FOR THE CALENDAR YEAR 1977 OR FOR THE FISCAL YEAR COMMENCING IN
12 1977.

13 SECTION 4. SUBSECTION (A) OF SECTION 407 OF THE ACT IS
14 AMENDED TO READ:

15 SECTION 407. SETTLEMENT AND RESETTLEMENT.--(A) ALL TAXES
16 DUE UNDER THIS ARTICLE SHALL BE SETTLED BY THE DEPARTMENT, AND
17 SUCH SETTLEMENT SHALL BE SUBJECT TO AUDIT AND APPROVAL BY THE
18 DEPARTMENT OF THE AUDITOR GENERAL, AND SHALL, SO FAR AS
19 POSSIBLE, BE MADE SO THAT NOTICE THEREOF MAY REACH THE TAXPAYER
20 [BEFORE THE END OF TWO YEARS] WITHIN EIGHTEEN MONTHS AFTER THE
21 TAX REPORT WAS REQUIRED TO BE MADE.

22 * * *

23 SECTION 5. SECTION 502 OF THE ACT, AMENDED MARCH 13, 1974
24 (P.L.179, NO.32), IS AMENDED TO READ:

25 SECTION 502. IMPOSITION OF TAX.--EVERY CORPORATION CARRYING
26 ON ACTIVITIES IN THIS COMMONWEALTH OR OWNING PROPERTY IN THIS
27 COMMONWEALTH BY OR IN THE NAME OF ITSELF OR ANY PERSON,
28 PARTNERSHIP, JOINT-STOCK ASSOCIATION OR CORPORATION SHALL BE
29 SUBJECT TO AND SHALL PAY A STATE PROPERTY TAX ON TAXABLE INCOME
30 DERIVED FROM SOURCES WITHIN THIS COMMONWEALTH AT THE RATE OF

1 TWELVE PER CENT PER ANNUM UPON EACH DOLLAR OF SUCH TAXABLE
2 INCOME RECEIVED BY AND ACCRUING TO SUCH CORPORATION DURING THE
3 CALENDAR YEAR 1971 AND THE FIRST SIX MONTHS OF 1972 AND AT THE
4 RATE OF ELEVEN PER CENT PER ANNUM UPON EACH DOLLAR OF TAXABLE
5 INCOME OF SUCH CORPORATION RECEIVED BY, AND ACCRUING TO, SUCH
6 CORPORATION DURING THE SECOND SIX MONTHS OF CALENDAR YEAR 1972
7 THROUGH THE CALENDAR YEAR 1973 AND AT THE RATE OF NINE AND ONE-
8 HALF PER CENT PER ANNUM UPON EACH DOLLAR OF TAXABLE INCOME OF
9 SUCH CORPORATION RECEIVED BY, AND ACCRUING TO, SUCH CORPORATION
10 DURING THE CALENDAR [YEAR] YEARS 1974, 1975 AND 1976 AND AT THE
11 RATE OF ELEVEN PER CENT PER ANNUM UPON EACH DOLLAR OF TAXABLE
12 INCOME OF SUCH CORPORATION RECEIVED BY, AND ACCRUING TO, SUCH
13 CORPORATION DURING THE CALENDAR YEAR 1977 AND EACH CALENDAR YEAR
14 THEREAFTER, EXCEPT WHERE A CORPORATION REPORTS TO THE FEDERAL
15 GOVERNMENT ON THE BASIS OF A FISCAL YEAR AND HAS CERTIFIED SUCH
16 FACT TO THE DEPARTMENT AS REQUIRED BY SECTION 403 OF ARTICLE IV,
17 IN WHICH CASE SUCH TAX AT THE RATE OF TWELVE PER CENT SHALL BE
18 LEVIED, COLLECTED AND PAID UPON EACH DOLLAR OF SUCH TAXABLE
19 INCOME RECEIVED BY AND ACCRUING TO SUCH CORPORATION DURING THE
20 FIRST SIX MONTHS OF THE FISCAL YEAR COMMENCING IN THE CALENDAR
21 YEAR 1972 AND AT THE RATE OF ELEVEN PER CENT SHALL BE LEVIED,
22 COLLECTED, AND PAID UPON ALL TAXABLE INCOME RECEIVED BY, AND
23 ACCRUING TO, SUCH CORPORATION DURING THE SECOND SIX MONTHS OF
24 THE FISCAL YEAR COMMENCING IN THE CALENDAR YEAR 1972 AND DURING
25 THE FISCAL YEAR COMMENCING IN THE CALENDAR YEAR 1973 AND AT THE
26 RATE OF NINE AND ONE-HALF PER CENT, SHALL BE LEVIED, COLLECTED,
27 AND PAID UPON ALL TAXABLE INCOME RECEIVED BY, AND ACCRUING TO,
28 SUCH CORPORATION DURING THE FISCAL YEAR COMMENCING IN THE
29 CALENDAR [YEAR] YEARS 1974, 1975 AND 1976 AND AT THE RATE OF
30 ELEVEN PER CENT, SHALL BE LEVIED, COLLECTED, AND PAID UPON ALL

1 TAXABLE INCOME RECEIVED BY, AND ACCRUING TO, SUCH CORPORATION
2 DURING THE FISCAL YEAR COMMENCING IN THE CALENDAR YEAR 1977 AND
3 EACH FISCAL YEAR THEREAFTER: PROVIDED, HOWEVER, THAT SUCH
4 TAXABLE INCOME SHALL NOT INCLUDE INCOME FOR ANY PERIOD FOR WHICH
5 THE CORPORATION IS SUBJECT TO TAXATION UNDER ARTICLE IV: AND,
6 PROVIDED FURTHER, THAT NO PENALTY PRESCRIBED BY SUBSECTION (E)
7 OF SECTION 1202.1 SHALL BE ASSESSED AGAINST A CORPORATION FOR
8 THE ADDITIONAL TAX WHICH MAY BE DUE AS A RESULT OF THE INCREASE
9 IN TAX RATE FROM NINE AND ONE-HALF PER CENT TO ELEVEN PER CENT
10 IMPOSED RETROACTIVELY BY THIS SECTION FOR THE CALENDAR YEAR 1977
11 OR FOR THE FISCAL YEAR COMMENCING IN 1977.

12 SECTION 6. THE ACT IS AMENDED BY ADDING A SECTION TO READ:

13 SECTION 1202.1. PREPAYMENT OF TAX.--(A) NOTWITHSTANDING THE
14 PROVISIONS OF THIS ACT, OR ANY OTHER STATE TAX LAW TO THE
15 CONTRARY, WHICH REQUIRED TAXPAYERS TO MAKE PAYMENT OF TENTATIVE
16 TAX, INCLUDING BUT NOT LIMITED TO THE CAPITAL STOCK AND
17 FRANCHISE TAX, CORPORATE NET INCOME AND CORPORATION INCOME TAX,
18 GROSS RECEIPTS TAX ON PUBLIC SERVICE COMPANIES, TRANSPORTATION
19 BY MOTOR VEHICLES AND TRACKLESS TROLLEYS, OTHER THAN MOTOR
20 VEHICLES FOR HIRE, INSURANCE PREMIUMS TAX, MUTUAL THRIFT
21 INSTITUTIONS TAX, NET EARNINGS TAX, OR OTHER SIMILAR TAX LAW
22 REQUIRING PAYMENT OF TENTATIVE TAX, BUT EXCLUDING THE PREPAYMENT
23 BY BANKS AND SAVINGS INSTITUTIONS UNDER ARTICLE VII AND TITLE
24 INSURANCE AND TRUST COMPANIES UNDER ARTICLE VIII OF THIS ACT,
25 SUCH TAXPAYERS, COMMENCING WITH THE CALENDAR YEAR 1970 AND
26 FISCAL YEARS BEGINNING DURING THE CALENDAR YEAR 1970 AND EACH
27 TAXABLE YEAR THEREAFTER, ON OR BEFORE THE FIFTEENTH DAY OF APRIL
28 FOR CALENDAR YEAR TAXPAYERS, AND ON OR BEFORE THE FIFTEENTH DAY
29 OF THE FOURTH MONTH AFTER THE CLOSE OF ITS PREVIOUS FISCAL YEAR
30 FOR FISCAL YEAR TAXPAYERS, SHALL REPORT ANNUALLY AND PAY ON

1 ACCOUNT OF THE TAX DUE FOR THE CURRENT YEAR, AN AMOUNT TO BE
2 COMPUTED BY APPLYING THE CURRENT TAX RATE TO NINETY PER CENT OF
3 SUCH TAX BASE FROM THE IMMEDIATE PRIOR YEAR AS MAY BE APPLICABLE
4 WITH RESPECT TO THE TAX BEING REPORTED.

5 (B) FOR THE TAXABLE YEARS COMMENCING WITH CALENDAR YEAR 1979
6 AND FOR EACH TAXABLE YEAR THEREAFTER, THE TENTATIVE TAX DUE FOR
7 THE CURRENT YEAR SHALL BE COMPUTED BY APPLYING THE CURRENT TAX
8 RATE TO NINETY PER CENT OF SUCH TAX BASE FROM THE YEAR PRECEDING
9 THE IMMEDIATE PRIOR YEAR AS MAY BE APPLICABLE WITH RESPECT TO
10 THE TAX BEING REPORTED; EXCEPT THAT WITH RESPECT TO THE
11 AFORESAID GROSS RECEIPTS TAX ON PUBLIC SERVICE COMPANIES,
12 TRANSPORTATION BY MOTOR VEHICLES AND TRACKLESS TROLLEYS, OTHER
13 THAN MOTOR VEHICLES FOR HIRE, AND THE AFORESAID INSURANCE
14 PREMIUMS TAX, SUCH AMOUNT SHALL CONTINUE TO BE COMPUTED BY
15 APPLYING THE CURRENT TAX RATE TO NINETY PER CENT OF THE TAX BASE
16 FROM THE IMMEDIATE PRIOR YEAR AS MAY BE APPLICABLE WITH RESPECT
17 TO THE TAX BEING REPORTED.

18 THE TAX IMPOSED ON SHARES OF BANK AND SAVINGS INSTITUTIONS
19 AND TITLE INSURANCE AND TRUST COMPANIES SHALL BE PAID IN THE
20 MANNER AND WITHIN THE TIME PRESCRIBED BY ARTICLE VII OR ARTICLE
21 VIII, AS THE CASE MAY BE, BUT SUBJECT TO THE ADDITIONS AND
22 INTEREST PROVIDED IN SUBSECTION (E) OF THIS SECTION.

23 (C) PAYMENT OF TAXES IMPOSED BY ARTICLES IV, V, IX AND XI OF
24 THIS ACT AND BY THE ACT OF JUNE 22, 1964 (P.L.16, NO.2), KNOWN
25 AS "THE MUTUAL THRIFT INSTITUTIONS TAX ACT," MAY AT THE
26 TAXPAYER'S ELECTION BE AN AMOUNT ESTIMATED BY THE TAXPAYER WHICH
27 ESTIMATED AMOUNT SHALL NOT BE LESS THAN NINETY PER CENT OF THE
28 TAX AS IS FINALLY REPORTED IN THE ANNUAL TAX REPORT FOR THE
29 CURRENT CALENDAR OR FISCAL YEAR.

30 (D) A CORPORATION WITH RESPECT TO THE CORPORATE NET INCOME

1 TAX IMPOSED BY ARTICLE IV AND THE CORPORATION INCOME TAX IMPOSED
2 BY ARTICLE V OF THIS ACT MAY, AT ITS ELECTION, REPORT AND PAY IN
3 INSTALLMENTS ON ACCOUNT OF THE TAX DUE FOR THE CURRENT TAXABLE
4 YEAR AN AMOUNT COMPUTED EITHER BY APPLYING THE CURRENT TAX RATE
5 TO NINETY PER CENT OF THE TAX BASE AS DETERMINED IN SUBSECTION
6 (A) OR (B) OF THIS SECTION, OR AS COMPUTED ON THE BASIS
7 ESTIMATED BY THE TAXPAYER TO BE DUE FOR THE CURRENT YEAR WHICH
8 ESTIMATED AMOUNT SHALL NOT BE LESS THAN NINETY PER CENT OF THE
9 TAX AS IS FINALLY REPORTED IN THE ANNUAL TAX REPORT FOR THE
10 CURRENT YEAR AS PROVIDED IN SUBSECTION (C) OF THIS SECTION. THE
11 INSTALLMENTS SHALL BE PAID IN ACCORDANCE WITH THE FOLLOWING
12 SCHEDULES:

	<u>FIRST</u>	<u>SECOND</u>	<u>THIRD</u>	<u>FOURTH</u>
<u>YEAR IN</u>	<u>DUE ON THE 15TH DAY OF THE FOLLOWING MONTHS</u>			
<u>WHICH TAX</u>	<u>AFTER CLOSE OF THE PREVIOUS TAX YEAR:</u>			
<u>YEAR BEINGS</u>	<u>4TH MONTH</u>	<u>6TH MONTH</u>	<u>9TH MONTH</u>	<u>12TH MONTH</u>
<u>1978</u>	<u>95%</u>	<u>0%</u>	<u>5%</u>	<u>0%</u>
<u>1979</u>	<u>95%</u>	<u>0%</u>	<u>5%</u>	<u>0%</u>
<u>1980</u>	<u>80%</u>	<u>0%</u>	<u>10%</u>	<u>10%</u>
<u>1981</u>	<u>40%</u>	<u>30%</u>	<u>20%</u>	<u>10%</u>
<u>1982</u>	<u>30%</u>	<u>30%</u>	<u>25%</u>	<u>15%</u>
<u>1983 AND</u>				
<u>THEREAFTER</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>	<u>25%</u>

24 ANY TAXPAYER WHICH HAS ELECTED TO COMPUTE ITS TENTATIVE TAX
25 LIABILITY ON THE AFORESAID ESTIMATED BASIS AND WHICH HAS ELECTED
26 TO REPORT AND PAY SAID ESTIMATED TAX IN INSTALLMENTS, MAY WHEN
27 REPORTING AND PAYING ITS THIRD OR FOURTH INSTALLMENT, BASE SUCH
28 INSTALLMENT ON AN AMENDED TENTATIVE TAX REPORT REFLECTING THE
29 TAXPAYER'S NEW ESTIMATE OF ITS TAX LIABILITY FOR THE TAX YEAR:
30 PROVIDED, THAT THE NEW ESTIMATE REFLECTS A LOWER TAX LIABILITY

1 THAN WAS PREVIOUSLY REPORTED IN ITS ORIGINAL OR, IF APPLICABLE,
2 AMENDED TENTATIVE TAX REPORT. IF AN AMENDED TENTATIVE TAX REPORT
3 IS FILED, EACH REMAINING INSTALLMENT PAYMENT DUE, IF ANY, SHALL
4 BE SUCH AS TO BRING THE TOTAL INSTALLMENT PAYMENTS MADE ON
5 ACCOUNT OF THE TAX DUE FOR THE CURRENT TAXABLE YEAR UP TO AN
6 AMOUNT DETERMINED BY MULTIPLYING THE TENTATIVE TAX DUE FOR THE
7 YEAR AS REPORTED IN THE AMENDED REPORT BY THE SUM OF THE
8 PERCENTAGES SET FORTH IN THE ABOVE SCHEDULE FOR THE APPLICABLE
9 ELAPSED INSTALLMENTS.

10 THE REMAINING PORTION OF THE TAX DUE, IF ANY, SHALL BE PAID
11 UPON THE DATE THE TAXPAYER'S ANNUAL REPORT IS REQUIRED TO BE
12 FILED UNDER THE APPLICABLE TAX STATUTE, DETERMINED WITHOUT
13 REFERENCE TO ANY EXTENSION OF TIME FOR FILING SUCH REPORT.

14 (E) FOR TAXABLE YEARS BEGINNING PRIOR TO JANUARY 1, 1979,
15 SHOULD IT SUBSEQUENTLY BE DETERMINED THAT THE AMOUNT OF THE
16 ANNUAL OR ANY INSTALLMENT PAYMENT OF TENTATIVE TAX DUE WAS
17 UNDERSTATED BY MORE THAN FIVE PER CENT, THERE SHALL BE ADDED TO
18 THE TAX DETERMINED TO BE DUE AN ADDITIONAL TEN PER CENT OF THE
19 UNDERSTATEMENT AND SAID PERCENTAGE ADDITION TO THE
20 UNDERSTATEMENT SHALL BE DEEMED AN ADDITIONAL TAX AND SHALL BEAR
21 INTEREST FROM THE DATE THE TENTATIVE TAX WAS DUE.

22 FOR TAXABLE YEARS BEGINNING JANUARY 1, 1979 AND THEREAFTER,
23 SHOULD IT SUBSEQUENTLY BE DETERMINED THAT THE AMOUNT OF THE
24 ANNUAL OR ANY INSTALLMENT PAYMENT OF TENTATIVE TAX DUE WAS
25 UNDERPAID, THERE SHALL BE IMPOSED AN ADDITIONAL TAX OR TEN PER
26 CENT OF THE UNDERPAYMENT AND SAID TAX SHALL BEAR INTEREST FROM
27 THE DATE THE ANNUAL OR ANY INSTALLMENT PAYMENT OF TENTATIVE TAX
28 WAS DUE. FAILURE TO REMIT THE ANNUAL OR ANY INSTALLMENT OF
29 TENTATIVE TAX PAYMENTS ON OR BEFORE THE DUE DATES PRESCRIBED IN
30 THIS ACT SHALL RESULT IN THE ASSESSMENT OF INTEREST AND

1 ADDITIONS, IF ANY, IN THE SAME MANNER AS PRESCRIBED BY LAW.

2 SECTION 7. THE ACT OF MARCH 16, 1970 (P.L.180, NO.69),
3 ENTITLED "AN ACT RELATING TO STATE TAXATION; CHANGING THE MANNER
4 IN WHICH TENTATIVE AND ANNUAL TAXES ARE TO BE PAID; PROVIDING A
5 PENALTY IN CERTAIN CASES; AND MAKING A REPEALER," IS REPEALED ON
6 THE DATE THE AMENDATORY PROVISIONS OF SECTION 1202.1 OF THIS
7 ARTICLE BECOME APPLICABLE.

8 SECTION 8. THIS ACT SHALL TAKE EFFECT IMMEDIATELY, BUT
9 CERTAIN ARTICLES, SECTIONS OR PARTS OR PROVISIONS SHALL BE
10 APPLICABLE AS FOLLOWS:

11 (1) THE RATE OF TAX IMPOSED BY SECTION 302 SHALL APPLY ON
12 JANUARY 1, 1978 AND THEREAFTER.

13 (2) THE RATE OF TAX IMPOSED BY SECTIONS 402 AND 502 SHALL BE
14 APPLICABLE TO THE CALENDAR YEAR 1977 OR FISCAL YEAR BEGINNING
15 1977.

16 (3) SECTION 407 OF THE ACT RELATING TO SETTLEMENT SHALL
17 FIRST APPLY TO REPORTS FILED FOR THE TAXABLE YEAR 1978.

18 (4) SECTION 1202.1 SHALL TAKE EFFECT IMMEDIATELY, AND SHALL
19 APPLY TO TENTATIVE TAX REPORTS AND PAYMENTS FOR THE CALENDAR AND
20 FISCAL YEARS BEGINNING IN 1978 AND THEREAFTER.