PRINTER'S NO. 812

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 714

Session of 1983

INTRODUCED BY ROCKS, FUMO, LLOYD, WILLIAMS, HANKINS AND LYNCH, MAY 3, 1983

REFERRED TO BANKING AND INSURANCE, MAY 3, 1983

AN ACT

Amending the act of June 28, 1895 (P.L.408, No.289), entitled, as amended, "An act to the twenty-fourth section of an act, entitled 'A supplement to provide revenue by taxation, approved the seventh day of June, one thousand eight hundred and seventy-nine,' approved the first day of June, one thousand eight hundred and eighty-nine, amending the twenty-fourth section, by providing for the payment by the State Treasurer of the two per centum tax on premiums paid by foreign fire insurance companies to the treasurers of the several cities, towns, townships and boroughs, within this Commonwealth," requiring treasurers to make payments within 30 days of receipt of the State moneys for relief or pension associations.

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

Section 1. Section 2(a) of the act of June 28, 1895 (P.L.408, No.289), referred to as the Foreign Fire Insurance Premium Tax Allocation Law, amended March 13, 1974 (P.L.196, No.38), is amended to read:

Section 2. (a) On and after the first day of January, one thousand nine hundred and nineteen, and annually thereafter, there shall be paid by the State Treasurer to the treasurers of the several cities, towns, townships, and boroughs within the

Commonwealth, the entire net amount received from the two per centum tax paid upon premiums by foreign fire insurance companies. The amount to be paid to each of the treasurers of the several cities, towns, townships, and boroughs shall be based upon the return of said two per centum tax upon premiums received from foreign fire insurance companies doing business within the said cities, towns, townships, and boroughs, and shall be proportionate to the premiums received by such companies on account of insurance written upon property located in such city, borough, town or township, as shown by the report made to the Department of Revenue. Each city, borough, town or township, receiving any payment from the State Treasurer hereunder, shall forthwith pay the amount received <u>within thirty days of receipt</u> to the relief fund association of, or the pension fund covering the employes of the fire department, or of such fire company, or fire companies, paid or volunteer, now existing, or hereafter organized, in such city, borough, town, or township, as is or are engaged in the service of such city, borough, town or township, and duly recognized as such by the council or commissioners or supervisors, as the case may be, of such city, borough, town, or township. In any borough, town or township in which there is no fire department or fire company or companies, the amount received by the treasurer of the borough, town or township from said tax shall be forthwith paid <u>within thirty days of receipt</u> to the relief fund association, or pension fund of the fire department or fire company or companies of any near or adjacent city, borough, town, or township, the fire department or fire company or companies of which afford fire protection to the inhabitants of such borough, town, or township. Before payment of said tax to the treasurer of any

such borough, town, or township, the mayor, in boroughs, and the secretary of the board of supervisors, in towns, or townships, shall first certify to the Auditor General that the fire department or fire company or companies of such near or adjacent city, borough, town, or township afford fire protection to the inhabitants of such borough, town, or township: Provided, That if the fire department consists of paid and volunteer firemen and the paid firemen shall be covered by a pension fund, then the two per centum tax aforesaid shall be divided equally between the relief fund association of the volunteer firemen and the pension fund for the paid firemen. Warrants for the above purposes shall be drawn by the Auditor General, payable to the treasurers of the several cities, towns, townships, and boroughs, in accordance with this act, whenever there are sufficient funds in the State Treasury to pay the same. All such fire insurance companies shall instruct their agents to place conspicuously upon the said policies and in the applications for said policies, if any, the exact name of the city, borough, town or township wherein the insured property is located in addition to the mailing address for said insured property.

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Section 2. This act shall take effect immediately.