

**SINKING FUND - FOR THE EXTINGUISHMENT OF DEBT**

**Act of Apr. 10, 1849, P.L. 570, No. 369**

**Cl. 72**

**AN ACT**

To create a sinking fund, and to provide for the gradual and certain extinguishment of the debt of the commonwealth.

Section 1. Be it enacted by the Senate and House of Representatives of the Commonwealth of Pennsylvania in General Assembly met, and it is hereby enacted by the authority of the same, That the secretary of the commonwealth, auditor general and state treasurer, for the time being, shall be commissioners, who are hereby authorized to receive the revenues appropriated by this act, or which may hereafter be appropriated for the same object, and to purchase therewith the debt of the state of Pennsylvania, at its market price, if not exceeding the par value thereof, to the full extent of the said revenues, and to hold and apply the same, and the interest thereon accruing, firmly and inviolably on the trusts and for the purposes hereinafter specified.

Section 2. That all revenue derived from the following sources, to wit: the taxes on collateral inheritances and the per centage assessed upon any bank or railroad, or coal mining, or railroad and coal mining, or improvement company charter, all taxes assessed on distilleries and breweries, on billiards rooms, bowling saloons and ten pin alleys, on new counties, on theatrical, circus and managerie exhibitions, and on eating houses, beer houses and restaurants, and all such revenues as the legislature may from time to time set apart for the purposes mentioned in this act, shall, so soon as the same shall be received at the treasury, be paid over to the said commissioners, who shall forthwith proceed to purchase the debts of the commonwealth, on the terms and for the purposes set forth in the first section of this act.

Section 3. That the said commissioners shall be authorized to receive the interest due and payable on the debt, so as aforesaid purchased and held by them, which interest shall be likewise applied to the purchase of said debt, so that the same shall form a constantly accumulating fund for the extinguishment of the public debt.

Section 4. That it shall be the duty of the said commissioners, on the first Monday of September, in the year one thousand eight hundred and fifty-one, and on the same day in every third year thereafter, to certify the amount of the debt of the commonwealth held by them, to the governor, who shall direct the certificates representing the same to be cancelled, and on such cancellation issue his proclamation, stating the fact and the extinguishment and final discharge of so much of the principal of said debt.

Section 5. That the said commissioners shall within ten days after the organization of the legislature, in the year one thousand eight hundred and fifty-two, and in every third year thereafter, specially report to the legislature the amount of the public debt, so as aforesaid liquidated and proclaimed by the governor to have been cancelled, and what reduction of taxes may, in consequence thereof, be made, in order that the legislature may provide for such reduction in the burthens of the people.

Section 6. That any balance of moneys remaining uninvested in the hands of the said commissioners on the said first Monday of September, one thousand eight hundred and fifty-one, and at every third year thereafter, shall be, as soon as may be thereafter, invested as hereinbefore provided, in order to form,

with the revenues appropriated and to be hereafter appropriated, a new accumulating fund for the purposes aforesaid.

Section 7. That besides the revenues herein appropriated, or which may hereafter be appropriated, the said commissioners are authorized to receive any gifts, grants, or bequests that may be made to them by any one, and apply the same to the purchase and extinguishment of the said debt in manner aforesaid; and whenever any donation shall be made for the purposes aforesaid, it shall be the duty of the said commissioners to report the same to the legislature; which report shall be entered upon the journals.

Section 8. That the said commissioners shall keep full and exact minutes of their proceedings, which shall at all times be open to the inspection of the governor and legislature, and shall make a full and exact report of their receipts and disbursements, and of the sums of public debt which shall have been purchased under their direction, specifying dates, prices and places, annually, to the legislature, within ten days after organization thereof.

Section 9. That the faith of the commonwealth of Pennsylvania is hereby pledged, that the moneys and funds aforesaid, and any that may hereafter be appropriated, shall inviolably remain and be applied as aforesaid, to the reimbursement and liquidation as aforesaid, of the public debt, until the same shall be fully and completely effected.

Section 10. That whenever any foreign executor, or administrator, shall assign or transfer any stocks or loans in this commonwealth, standing in the name of a decedent, or in trust for a decedent, which shall be liable to the collateral inheritance tax, such tax shall be paid to the register of the proper county on the transfer thereof; otherwise the corporation permitting such transfer, shall become liable to pay such tax.

Section 11. That the provisions of the several acts of assembly, relative to collateral inheritance taxes, shall not be held or taken to apply to any property or estate, real or personal, passing by will to or in trust for the wife or widow of a son of any person dying seized or possessed thereof.

Section 12. That in order to fix the valuation of the real estate of persons whose estates are or shall be subject to the payment of a collateral inheritance tax by the laws of this commonwealth, the register of wills of the county in which letters testamentary or of administration shall be granted, shall at the same time appoint one of the appraisers, whose duty it shall be to put a fair valuation on said real estate; and the assessor of the ward or township in which such decedent died, shall be another appraiser; and it shall also be the duty of said appraisers to make a fair and conscionable appraisement of the personal estate of the decedent; and it shall further be the duty of said appraisers to assess and fix the then cash value of all annuities and life estates growing out of said estate, upon which annuities and life estates the collateral inheritance tax shall be immediately payable out of the estate at the rate of said valuation; and the said appraisers shall be then paid for all services performed by them in the city of Philadelphia and the incorporated districts, and in the other cities and several seats of justice within this commonwealth, at the rate of one dollar per day, and in the several counties within this commonwealth, at the rate of one dollar and fifty cents per day: Provided, That any person or persons dissatisfied with said appraisement or assessment, shall have the right to appeal within thirty days to the register's count of the proper

county, on paying or giving approved security to pay all costs, together with whatever tax shall be fixed by said court.

Section 13. That where any person or persons shall bequeath or devise any estate, real or personal, to a father, widow, or other person during life, and the remainder over to collateral heirs at their decease, immediately after the death of the testator, the estate so granted shall be appraised in the manner hereinbefore provided, and after deducting the valuation of said life estate, the collateral inheritance tax on the remainder shall be immediately due and payable over to the register of wills of the proper county, and when the tax is not paid it shall remain a lien against the estate in the manner herein provided for until the final settlement of the estate, unless it is paid before such settlement; and where a testator appoints or names one or more executors, and makes a bequest or devise of property to them in lieu of their commissions or allowances, or appoints them his residuary legatees, and said bequests, devises or residuary legacies exceed what would be a fair compensation for their services, such excess shall be subject to the payment of the collateral inheritance tax, the rate of compensation to be fixed by the proper courts having jurisdiction in the case. And if any person or persons having their domicile in another state, territory or country, shall die, leaving real or personal estate within this commonwealth, the said estate, whether real or personal, shall be subject to the payment of the collateral inheritance tax.

Section 15. That if the register of wills of any county within this commonwealth shall discover that any collateral inheritance taxes have not been paid over according to law, he shall be authorized to issue a citation, which shall be served in the usual manner to the executors, administrators and heirs; and where personal services cannot be had on all said parties, the register shall give notice, for four consecutive weeks, once a week, in at least one newspaper published in said county, citing said parties to appear before him on a day certain, and show cause why the said tax should not be paid, for which services the fees of the register and other officers shall be such as are allowed for like services in other cases; and if said tax shall be found to be due and unpaid, the said delinquents shall pay said tax and costs; and it shall be the duty of the register of wills, or of the auditor general of this commonwealth, on return made to him, that the executors, administrators and heirs, after citation having been awarded as aforesaid, and on proof of service have been found to be in default, to employ an attorney of the proper county to sue for and recover the amount of such tax; and the said attorney shall be allowed for his services the usual per centage for collection, to be taxed as costs and paid by said delinquents: and the auditor general is authorized and empowered in the settlement of the account of any register of wills, to allow him costs of advertising, service and mileage, and other reasonable fees wherever there was or may be probable ground for issuing the citation, or for prosecuting an investigation to ascertain whether any taxes were due. And it shall be the duty of the register of wills to enter in a book, to be provided by him at the expense of the commonwealth, and to be kept for that purpose, the returns made by all assessors and appraisers, under this act, opening an account in favor of the commonwealth against the decedent's estate, and that estate, executors, administrators and their sureties, shall be liable for payment of said tax, which tax shall be a lien on the property of all parties until settled and satisfied; and the register may give

certificates of search from said book; and whenever any such tax shall have remained due and unpaid for one year, it shall be lawful for the register to file a copy of the claim in the proper prothonotary's office, and proceed to recover the same in the name of the commonwealth by scire facias, according to the provisions of the act of March eleventh, one thousand eight hundred and forty-six, entitled "An Act relating to registered taxes and municipal claims in the county of Philadelphia," and any supplement thereto against the owner or owners of such real estate, for the time being; all the provisions of which act shall be operative in relation to such collateral inheritance tax, except that there shall be no loss or limitation of the lien for such tax by reason of a failure to file or sue the same within any limited time.

Section 16. That it shall be the duty of the register of wills in the several counties of this commonwealth, to collect and pay into the state treasury all taxes due, and that may be due, under the collateral inheritance laws of this commonwealth, of which he shall make a return under oath to the auditor general; and he shall be allowed to retain five per centum on all taxes paid and accounted for in full, for his services in collecting and paying over the same.

Section 17. That from and after the first day of July next, all stock brokers and bill brokers shall be required to pay the additional sum upon each license of fifty per cent., and exchange brokers one hundred per cent. upon the amount which they are required to pay by the act of twenty-seventh May, one thousand eight hundred and forty-one, entitled "An Act to authorize the licensing of stock brokers, exchange brokers and bill brokers, and to regulate contracts for the purchase and sales of loans and stocks."

Section 18. That all the provisions of the act, entitled "An Act to authorize the licensing of stock brokers, exchange brokers and bill brokers," passed the twenty-seventh day of May, eighteen hundred and forty-one, be and the same are hereby extended to real estate brokers and to merchandize brokers.

Section 19. Billiard rooms and bowling alleys to be licensed

No person shall keep any billiard room, bowling saloon or ten pin alley in this commonwealth, without first taking from the treasurer of the proper county a license, and no such license shall be granted for a longer period than one year.

Any such person keeping such billiard room, bowling saloon or ten pin alley, without license, shall, on conviction thereof in the court of quarter sessions of the proper county, be punished by a fine, not less than the amount of such license, nor more than five hundred dollars, or imprisonment in the county jail for any period not exceeding three months, and costs of Prosecution: provided, that this section shall not be construed to prohibit billiard tables or ten pin alleys connected with hospitals, asylums or other institutions for the relief of the insane and diseased. 1849, April 10, P.L. 570, Sec. 19.

Section 24. That hereafter the price of a theatre or circus license in the city or county of Philadelphia, shall be five hundred dollars; and in the county of Allegheny, two hundred dollars; and for every theatre or circus in any other county in this commonwealth, eighty dollars.

Section 27. Penalty for violation of act

Any person convicted of violating the provisions of the preceding sections, shall be fined in a sum not less than fifty, nor more than five hundred dollars for each offense; one-half to be paid to the county treasurer for the use of the

commonwealth, and the other half to the person or persons who shall prosecute such offender. 1849, April 10, P.L. 570, Sec. 27.

Section 28. Certain acts extended to patent medicine licenses

All the provisions and duties enjoined upon any one by the act, entitled "An Act graduating duties upon wholesale dealers and retailers of merchandise, and prescribing the mode of issuing licenses and collecting said duties," passed April 7, 1830, and the several supplements thereto, are hereby extended and declared to apply to this act, except as far as they are inconsistent herewith. 1849, April 10, P.L. 570, Sec. 28.

Section 29. That from and after the passage of this act, the state treasurer be and he is hereby required to abate five per cent. of the purchase money due on all unpatented lands appropriated on warrants heretofore granted: Provided, The said purchase money be paid into the treasury on or before the first day of May, eighteen hundred and fifty.

Section 30. That every county hereafter to be formed, shall pay an enrolment tax of five hundred dollars to the commonwealth, which said tax shall form a part of the sinking fund for the liquidation of the state debt.