

**TAXATION - EXEMPTING CERTAIN OBLIGATIONS**

**Act of Aug. 31, 1971, P.L. 395, No. 94**

**Cl. 72**

**AN ACT**

Exempting from taxation for State and local purposes within the Commonwealth certain obligations, their transfer and the income therefrom (including any profits made on the sale thereof), issued by the Commonwealth, any public authority, commission, board or other agency created by the Commonwealth, any political subdivision of the Commonwealth or any public authority created by any such political subdivision.

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

Section 1. Legislative Finding and Declaration of Policy.--The General Assembly hereby finds and declares that all obligations issued by the Commonwealth, any public authority, commission, board or other agency created by the Commonwealth, any political subdivision of the Commonwealth or any public authority created by any such political subdivision shall be for the performance of essential governmental functions which shall and will be in all respects for the benefit of the people of the Commonwealth, for the increase of their commerce and prosperity and for the improvement of their health and living conditions.

Section 2. Exemption from Taxation.--Notwithstanding the provisions of any law presently or hereafter enacted to the contrary, all obligations, their transfer and the income therefrom (including any profits made on the sale thereof), issued by the Commonwealth, any public authority, commission, board or other agency created by the Commonwealth, any political subdivision of the Commonwealth or any public authority created by any such political subdivision, shall at all times be free from taxation for State and local purposes within the Commonwealth except that any such obligations, which prior to the effective date of this act were subject to inheritance and estate taxation under the provisions of other existing acts of the General Assembly, shall continue to be subject to such taxation and any obligations issued after the effective date of this act which, but for this act, would be subject to inheritance and estate taxation, shall be subject to such taxation.

Section 3. This act shall take effect immediately.