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Settlement of damage claims.

all other proper expenditures incident to carrying out the purposes of the Act, including the settlement of claims (not exceeding $500 each) for damage to or loss of private property resulting from the operations of the commission or its agents.

Delegation of functions to Secretary of War.

SEC. 7. The Secretary of War is authorized to undertake, at the request of the commission, such of its functions as it may delegate. The money herein authorized to be appropriated shall be available for the payment of any additional expense to the War Department caused by its operations for the commission, including the salaries of temporary employees.

Determination of status as a veteran.

SEC. 8. The decision of the commission as to the status as a veteran of anyone who is invited as such to attend the reunion at Gettysburg shall be final and conclusive.

Availability of appropriation.

SEC. 9. The money herein authorized to be appropriated shall be available for expenditure from and after the date of approval of the Act appropriating it and shall remain available until all obligations of the commission and its agencies have been satisfied.

Disposal of material, etc., at close.

SEC. 10. When the necessity for its use terminates, all property acquired by the commission shall be delivered to such depots or other installations as the Secretary of War shall designate, to be disposed of in accordance with laws and regulations relating to military property. Real estate, which may be leased to further the purposes of the commission, shall be restored as nearly as possible to its original condition when it is no longer required.

Restoration of leased real estate.

Administrative regulations.

SEC. 11. The commission shall promulgate regulations governing the execution of this Act.

Approved, May 16, 1938.

[CHAPTER 223]

May 16, 1938
[H. R. 10066]
[Public, No. 519]

AN ACT

To amend the District of Columbia Revenue Act of 1937, and for other purposes.

District of Columbia Revenue Act of 1937, amendments.
50 Stat. 673.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1 of title I of the District of Columbia Revenue Act of 1937 is amended to read as follows:

Collection of personal property taxes.
Ascertainment of correctness of return, etc.

"SEC. 1. The assessor of the District of Columbia or any person designated by him for the purpose of ascertaining the correctness of any return of personal property, tangible or intangible, for taxation or for the purpose of making a return where none has been made, is authorized to examine any books, papers, records, or memoranda of any person bearing upon the matters required to be included in the return and may summon any person to appear before him and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return and to give testimony or answer interrogatories under oath respecting the same, and the assessor, or assistant assessor, shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person, having been personally summoned, shall neglect or refuse to obey the summons issued as herein provided, then in that event the assessor, or any assistant assessor, may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to said summons to the same extent as witnesses may be compelled to obey the subpenas of

Examinations, testimony, etc.

that court. Any person in custody or control of any books, papers, records, or memoranda bearing upon the matters required to be included in such returns, who shall refuse to permit the examination by the assessor or any person designated by him of any such books, papers, records, or memoranda, or who shall obstruct or hinder the assessor or any person designated by him in the examination of any books, papers, records, or memoranda, shall upon conviction thereof be fined not more than $300. All prosecutions under this section shall be brought in the police court of the District of Columbia on information by the corporation counsel of the District of Columbia in the name of the District of Columbia."

Refusal to permit examination; penalty.

Jurisdiction.

(b) Section 8 of title I of said Act is amended to read as follows:

50 Stat. 675.

"SEC. 8. Taxes on property reported in any return filed by a taxpayer shall be assessed within two years after the filing of such return; and such taxes may be collected by distraint or by proceeding in court within three years after the date of the assessment of such taxes. In the case of a false or incorrect return, whether in good faith or otherwise, or of a failure to file a return within the time prescribed by law or of a failure to include taxable property or assets belonging to the taxpayer in any return filed by such taxpayer, whether in good faith or otherwise, the tax may be assessed at any time, and the tax may be collected by distraint or by proceeding in court within three years after the assessment of such tax."

Assessment and collection, time limitation.

In case of a false or incorrect return, etc.

(c) Title I of such Act is further amended by adding after section 9 thereof the following new sections:

50 Stat. 675.

"SEC. 10. Any person required to file a return or schedule, by the terms of an Act entitled 'An Act making appropriation [1] to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes', approved July 1, 1902, as amended, who shall fail or refuse to file the same within the time required by said Act as amended shall, upon conviction thereof, be fined not more than $300 for each and every failure or refusal and each and every day that such failure or refusal continues shall constitute a separate and distinct offense. All prosecutions under this section shall be brought in the police court of the District of Columbia on information by the corporation counsel of the District of Columbia in the name of the District of Columbia. The penalty herein provided shall be in addition to the other penalties provided in said Act of July 1, 1902, as amended.

Penalty for failure to make return of personal property for taxation.

32 Stat. 590.

Jurisdiction of court.

Penalties.

"SEC. 11. As used in this title—

Definition of terms.

"(a) The term 'person' includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, trustee, estate, or receiver.

"Person."

"(b) The term 'return' means any return required to be filed by this title.

"Return."

"SEC. 12. Except in accordance with proper judicial order and as otherwise provided by law, it shall be unlawful for the Commissioners of the District of Columbia or any persons having an administrative duty under this title to divulge or make known in any manner any information contained in any return required under this title. The persons charged with the custody of such returns shall not be required to produce any of them in any action or proceeding in any court except on behalf of the United States or the District of Columbia or on behalf of any party to any action or proceeding under the provisions of this title, when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the

Secrecy of return.

[1] So in original.

court may require the production of and may admit in evidence so much of such returns or the facts shown thereby as are pertinent to the action or proceeding, and no more. Nothing herein contained shall be construed to prohibit the delivery to a taxpayer or his duly authorized representative of a certified copy of any return filed by him in connection with his tax, nor prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District of Columbia or any of his assistants of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty and failure to file any return or schedule required by law. Any violator of the provisions of this section shall be subject to the punishment provided by section 10 of this title."

Furnishing taxpayer with copy of his return.

Publication of statistics.

Official inspection.

Penalty for violation.

50 Stat. 676.

SEC. 2. Section 6 of title II of such Act is amended to read as follows:

"SEC. 6. All such companies, including companies which issue annuity contracts, shall also pay to the collector of taxes of the District of Columbia a sum of money as taxes equal to 2 per centum of their policy and membership fees and net premium receipts or consideration received on all insurance and annuity contracts on risks in the District of Columbia, said taxes to be paid before the 1st day of March of each year on the amount of such income for the year ending December 31, next preceding. Such tax shall be in lieu of all other taxes except (1) taxes upon real estate and (2) fees and charges provided for by the insurance laws of the District including amendments made to such laws by this title.

Tax rate on insurance companies.

In lieu of other taxes; exceptions.

"'Net premium receipts or consideration received' means gross premiums or consideration received less the sum of the following:

"1. Premiums received for reinsurance assumed and premiums or consideration returned on policies or contracts canceled or not taken.

"2. Dividends paid in cash or used by the policyholders in payment of renewal premiums.

"Net premium receipts or consideration received" defined.

"Nothing contained in this section or in section 1 or 7 of this title shall apply with respect to marine insurance written within the said District and reported, taxed, and licensed under the provisions of the Act entitled 'An Act to regulate marine insurance in the District of Columbia, and for other purposes', approved March 4, 1922, as amended."

Marine insurance excluded.

42 Stat. 401.

SEC. 3. (a) Section 2 of the Act of Congress entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia and for other purposes", approved April 23, 1924, as amended by paragraph B of section 2 of title III of the District of Columbia Revenue Act of 1937, is amended by striking out subparagraph (f) and substituting in lieu thereof the following:

Motor vehicle fuel tax Act, amendment.

43 Stat. 106; 50 Stat. 677.

"(f) The term 'highways' means the right-of-way of streets, avenues, and roads, bridges, viaducts, underpasses, drainage structures, guard rails, signs, signals, curbing, and dikes, fills, and retaining walls necessary to support or protect the highway."

Term "highways" defined.

(b) Section 2 of the Act of Congress entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia and for other purposes", approved April 23, 1924, as amended by paragraph B of section 2 of title III of the District of Columbia Revenue Act of 1937, is further amended by adding thereto a new subparagraph as follows:

43 Stat. 106; 50 Stat. 677.

"(j) The term 'improvement' means the betterment of a highway by construction, reconstruction, or resurfacing."

"Improvement" defined.

SEC. 4. (a) Paragraph (c) of section 2 of title IV of such Act is amended to read as follows:

Motor vehicles, registration.
50 Stat. 680.

"(c) Every registration under this title on or before the last day of February 1939 shall expire at midnight on the last day of February 1939, unless otherwise provided, and unless the time be extended by the Commissioners. Every registration under this title thereafter, unless otherwise provided, and unless the time be extended by the Commissioners, shall expire on the last day of February next succeeding the date of registration. Every such registration shall be renewed annually upon application made by the owner during the months of January and February, and by payment of the fees required by law, such renewal to take effect on the 1st day of March of each year. During the month of February it shall be lawful to operate a motor vehicle registered for the ensuing year commencing March 1 following. It shall be lawful to operate a motor vehicle registered for the year 1938 during the months of January and February 1939."

Expiration date.

Renewals.

Registration for 1938; expiration.

(b) Paragraph (d) of section 2 of title IV of such Act is amended to read as follows:

50 Stat. 680.

"(d) Upon the sale or other transfer to another owner of any motor vehicle registered under this title, the registration thereof shall expire. The owner selling or otherwise transferring such vehicle may register another motor vehicle for the unexpired portion of the registration year upon payment of a fee of $1 and a sum equal to the difference between the registration fee originally paid and the fee computed for such other motor vehicle under section 3, in case the latter is the greater. Upon the death of a joint owner of a motor vehicle registered under this title the registration thereof shall be transferred to the survivor or survivors and the fee for such transfer shall be $1."

Transfer provisions.

Fee.

Survivor of joint ownership.

(c) Section 3 of title IV of such Act is amended to read as follows:

50 Stat. 681.

"SEC. 3. (a) There shall be levied, collected, and paid for each registration year for each motor vehicle operated in the District of Columbia and for each trailer operated or moved in the District of Columbia required to be registered hereunder the registration fees provided in this section.

Registration fees.

Classes.

"(b) Class A. For each gasoline-propelled passenger vehicle, including passenger vehicles licensed under paragraph 31 (b) or paragraph 31 (d) of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended by the Act of Congress approved July 1, 1932—

Class A.

"(1) When wholly equipped with pneumatic tires, the manufacturer's shipping weight of which is not more than three thousand five hundred pounds, $5; more than three thousand five hundred pounds and not more than four thousand five hundred pounds, $8; over four thousand five hundred pounds, $12.

"(2) When wholly or partially equipped with other than pneumatic tires, double the above fees.

"Class B. For each gasoline-propelled truck, tractor, and passenger-carrying vehicle for hire having a seating capacity of eight passengers or more in addition to the driver or operator, with the exception of passenger vehicles licensed under paragraph 31 (b) of section 7 of the District of Columbia Appropriation Act for the fiscal year ending June 30, 1903, approved July 1, 1902, as amended by the Act of Congress approved July 1, 1932—

Class B.

"(1) When wholly equipped with pneumatic tires, the manufacturer's shipping weight of the chassis plus the weight of the cab and body is not more than two thousand pounds, $15; more than two thousand pounds and not more than four thousand pounds, $20; more than four thousand pounds and not more than six thousand

pounds, $35; more than six thousand pounds and not more than eight thousand pounds, $50; more than eight thousand pounds and not more than ten thousand pounds, $65; more than ten thousand pounds and not more than twelve thousand pounds, $75; more than twelve thousand pounds and not more than sixteen thousand pounds, $100; over sixteen thousand pounds, $150.

"(2) When wholly or partially equipped with other than pneumatic tires, double the above fees.

Class C. "Class C. For each trailer, when the manufacturer's shipping weight of the chassis plus the weight of the body is not more than five hundred pounds, $5; more than five hundred pounds and not more than twelve hundred and fifty pounds, $10; more than twelve hundred and fifty pounds and not more than two thousand pounds, $15; more than two thousand pounds and not more than four thousand pounds, $20; more than four thousand pounds and not more than six thousand pounds, $35; more than six thousand pounds and not more than eight thousand pounds, $50; more than eight thousand pounds and not more than ten thousand pounds, $65; more than ten thousand pounds and not more than twelve thousand pounds, $75; more than twelve thousand pounds and not more than sixteen thousand pounds, $100; over sixteen thousand pounds, $150.

Class D. "Class D. For each motorcycle, motor bicycle, motor tricycle, and motor wheel, $5.

Class E. "Class E. Motor vehicles not propelled by gasoline, double the fees for similar vehicles propelled by gasoline.

Class F. "Class F. For dealers' identification tags, first three sets of tags, $25, and $5 for each additional set.

Fee, when registration received on or after September 1. "(c) When application for registration of any motor vehicle is received by the director on or after September 1, the registration fee for such vehicle for the registration year shall be one-half the amount provided for the class in which such vehicle falls.

Deposit of proceeds from fees, etc. "(d) All proceeds from fees payable under this title and all moneys collected from the motor-vehicle-fuel tax, and fees charged for the titling of motor vehicles, including fees charged for the issuance of permits to operate motor vehicles, shall be deposited in a special account in the Treasury of the United States entirely to the credit of the District of Columbia and shall be appropriated and used solely and exclusively for the following purposes:

Uses designated.

Highways, construction, etc. "(1) For construction, reconstruction, improvement, and maintenance of public highways, including the necessary administrative expenses in connection therewith;

Traffic control expenses. "(2) For the expenses of the office of the director of vehicles and traffic incident to the regulation and control of traffic and the administration of the same; and

Police control. "(3) For the expenses necessarily involved in the police control, regulation, and administration of traffic upon the highways: *Provided, however*, That the total amount to be expended under this item shall not exceed 15 per centum of the total amount appropriated for pay and allowances of officers and members of the Metropolitan Police force.

Proviso. Limitation on expenditure.

Designated appropriations for 1938 payable from special fund. "For the fiscal year 1938 all moneys appropriated for the construction, reconstruction, improvement, and maintenance of highways and administrative expenses in connection therewith; all moneys appropriated for the department of vehicles and traffic; and 15 per centum of all moneys appropriated for pay and allowances for officers and members of the Metropolitan Police force shall be paid from and chargeable against the fund hereby created."

50 Stat. 684. SEC. 5. (a) Title V of such Act is amended by adding to section 1 thereof the following new subsections:

"(j) Whenever any person shall exercise a general power of appointment derived from any disposition of property, made either before or after the passage of this title, such appointment, when made, shall be deemed a transfer taxable, under the provisions of this title, in the same manner as though the property to which such appointment relates belonged absolutely to the donee of such power; and whenever any person possessing such power of appointment so derived shall omit or fail to exercise the same within the time provided therefor, in whole or in part, a transfer taxable under the provisions of this title shall be deemed to take place to the extent of such omissions or failure in the same manner as though the person or persons thereby becoming entitled to the possession or enjoyment of the property to which such power related had succeeded thereto by the will of the donee of the power failing to exercise such power, taking effect at the time of such omission or failure.

Inheritance and estate taxes.
General power of appointment.

"(k) The doctrine of equitable conversion shall not be invoked in the assessment of taxes under this title."

Doctrine of equitable conversion not to be invoked in tax assessment.

(b) Section 3 of title V of such Act is amended to read as follows:

50 Stat. 684.

"SEC. 3. The appraisal thus made shall be deemed and taken to be the true value of the said property or interest therein upon which the said tax shall be paid, and the amount of said tax and the tax imposed by article II of this title shall be a lien on said property or interest therein for the period of ten years from the date of death of the decedent: *Provided, however*, That such lien shall not attach to any personal property sold or disposed of for value by an administrator, executor, or collector, of the estate of such decedent appointed by the District Court of the United States for the District of Columbia or by a trustee appointed under a will filed with the register of wills of the District of Columbia or by order of said court, or his successor approved by said court, but a lien for said taxes shall attach on all property acquired in substitution therefor for a period of ten years after the acquisition of such substituted property: *And provided further*, That such lien upon such substituted property shall, upon sale by such personal representatives, be extinguished and shall reattach in the manner as provided with respect of such original property."

Appraisal deemed true value.

Tax imposed to be a lien.

Provisos.
Personal property sold, etc., by an administrator of estate.

Lien to attach to property acquired in substitution.

Extinguishment upon sale by personal representatives; reattachment.

(c) Section 7 of title V of such Act is amended to read as follows:

50 Stat. 685.

"SEC. 7. Every person entitled to receive property taxable under section 1 hereof, which property is not under the control of a personal representative, and is over $1,000 in value, shall, within six months after the death of the decedent, report under oath to the assessor, on forms provided for that purpose, an itemized schedule of all property (real, personal, and mixed) received or to be received by such person; the market value of the same at the time of the death of the decedent and the relationship of such person to the decedent; and any other information which the assessor may require. The tax on the transfer of any such property shall be paid by such person to the collector of taxes within nine months after the date of the death of the decedent: *Provided, however*, That with respect to real estate passing by will or inheritance such report shall be made within fifteen months after the death of the decedent, and the tax on the transfer thereof shall be paid within eighteen months after the date of the death of the decedent."

Property not under control of personal representative; report.

Payment of tax.

Proviso.
Real estate passing by will, etc.; report.

(d) Section 10 of title V of such Act is amended to read as follows:

50 Stat. 686.

"SEC. 10. In the case of any grant, deed, devise, descent, or bequest of a life interest or term of years, the donee for life or years shall pay a tax only on the value of his interest, determined in a manner as the Commissioners by regulation may prescribe, and the donee of the future interest shall pay a tax only on his interest as based upon the

Life interest or for term of years, payment of tax.

Future interests, determination of value.

value thereof at the time of the death of the decedent creating such interest. The value of any future interest shall be determined by deducting from the market value of such property at the time of the death of such decedent the value of the precedent life interest or term of years. Where the future interest is vested the donee thereof shall pay the tax within the time in which the tax upon the precedent life interest or term of years is required to be paid under the provisions of sections 4 and 7 of this article, as the case may be. Where the future interest is contingent the personal representative of such decedent or the persons interested in such contingent future estate shall have the option of (1) paying, within the time herein provided for the payment of taxes due upon vested future interests, a tax equal to the mean between the highest possible tax and the lowest possible tax which could be imposed under any contingency or condition whereby such contingent future interest might be wholly or in part created, defeated, extended, or abridged; or (2) paying the tax upon such transfer at the time when such future interest shall become vested at rates and with exemptions in force at the time of the death of such decedent: *Provided*, That the personal representative or trustee of the estate of the decedent or the persons interested in the future contingent interest shall deposit with the assessor a bond in the penal sum of an amount equal to twice the tax payable under option (1) hereof. Such bonds shall be payable to the District of Columbia and shall be conditioned for the payment of such tax when and as the same shall become due and payable. The tax upon the transfer of future interests or remainders shall be a lien upon the property or interest transferred from the date of the death of the decedent creating the interests and shall remain in force and effect until ten years after the date when such remainder or future interest shall become vested in the donee thereof. If the tax upon the transfer of a contingent future interest is paid before the same shall become vested, such tax shall be paid by the personal representative out of the corpus of the estate of the decedent, otherwise by the person or persons entitled to receive the same."

Vested future interests, payment of tax.

Where future interest is contingent.

Proviso. Bond.

Tax upon transfer to be a lien.

Payment upon transfer of contingent future interest before becoming vested.

(e) Section 13 of title V of such Act is amended to read as follows:

50 Stat. 686.

"SEC. 13. Any person required by this title to file a return who fails to file such return within the time prescribed by this title, or within such additional time as may be granted under regulations promulgated by the Commissioners of the District of Columbia, shall become liable in his own person and estate to the District of Columbia in an amount equal to 10 per centum of the tax found to be due. In case any person required by this title to file a return knowingly files a false or fraudulent return, he shall become liable in his own person and estate to the said District in an amount equal to 50 per centum of the tax found to be due. Such amounts shall be collected in the same manner as is herein provided for the collection of the taxes levied under this title."

Failure to file required return; penalty.

False, etc., returns.

(f) Section 16 of title V of such Act is amended to read as follows:

50 Stat. 687.

"SEC. 16. No person holding, within the District of Columbia, tangible or intangible assets of any resident or nonresident decedent shall deliver or transfer the same or any part thereof to any person other than an executor, administrator, or collector of the estate of such decedent appointed by the District Court of the United States for the District of Columbia, unless notice of the date and place of such intended transfer be served upon the assessor of the District of Columbia at least ten days prior to such delivery or transfer, nor shall any person holding, within the District of Columbia, any assets of a resident or nonresident decedent deliver or transfer the same

Transfers of decedent's assets to other than executor, etc.; notice to assessor.

Retention of portion to pay tax.

or any part thereof to any person other than an executor, administrator, or collector of the estate of such decedent appointed by said District Court without retaining a sufficient portion or amount thereof to pay any tax which may be assessed on account of the transfer of such assets under the provisions of this article and article II without an order from the assessor of the District of Columbia authorizing such transfer. It shall be lawful for the assessor of the District of Columbia personally, or by his representatives, to examine said assets at any time before such delivery or transfer. Failure to serve such notice or to allow such examination or to retain as herein required a sufficient portion or amount to pay the taxes imposed by this title shall render such person liable to the payment of such taxes. The assessor of the District may issue a certificate authorizing the transfer of any such assets whenever it appears to the satisfaction of said assessor that no tax is due thereon. The lessor of a safe-deposit box standing in the joint names of a decedent and a survivor or survivors may deliver the entire contents of such safe-deposit box to the survivor or survivors, after examination of such contents by the assessor or his representative, without any liability on the part of the said lessor for the payment of such tax."

Examination of assets by assessor.

Issuance of certificate for transfer.

Assets found in safe-deposit box standing in joint names.

(g) Title V of such Act is further amended by adding thereto new sections as follows:

50 Stat. 688.

"SEC. 26. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title or relative to any person whose estate is subject to the provisions of this title.

Bureau of Internal Revenue to supply information to Commissioners.

"SEC. 27. A tax is hereby imposed upon the transfer of real property or tangible personal property in the District of Columbia of every person who at the time of death was a resident of the United States but not a resident of the District of Columbia, and upon the transfer of all property, both real and personal, within the District of Columbia of every person who at the time of death was not a resident of the United States, the amount of which shall be a sum equal to such proportion of the amount by which the credit allowable under the applicable Federal revenue Act for estate, inheritance, legacy, and succession taxes actually paid to the several States exceeds the amount actually so paid for such taxes, exclusive of estate taxes based upon the difference between such credit and other estate taxes and inheritance, legacy, and succession taxes, as the value of the property in the District of Columbia bears to the value of the entire estate, subject to estate tax under the applicable Federal revenue Act."

Nonresidents, tax on transfers of real and tangible personal property.

Amount.

(h) The provisions of this section shall become effective at 12:01 ante meridian on the day immediately following the date of approval of this Act.

Effective date of section.

SEC. 6. (a) Title VI of such Act is amended to read as follows:

50 Stat. 688.

"TITLE VI—TAX ON PRIVILEGE OF DOING BUSINESS

Title VI—Tax on privilege of doing business.

"SEC. 1. Where used in this title—

Definitions.

"(a) The term 'person' includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, estate, receiver, or any other group or combination, acting as a unit; and all bus lines, truck lines, radio communication lines or networks, telegraph lines, telephone lines, or any instrumentality of commerce, but shall not include railroads, railroad express companies, steamship companies and air transportation lines.

"Person."

"District." "(b) The term 'District' means the District of Columbia.

"Taxpayer." "(c) The term 'taxpayer' means any person liable for any tax hereunder.

"Commissioners." "(d) The term 'Commissioners' means the Commissioners of the District or their duly authorized representative or representatives.

"Business." "(e) The term 'business' shall include the carrying on or exercising for gain or economic benefit, either direct or indirect, any trade, business, profession, vocation, or commercial activity including rental of real estate and rental of real and personal property, in any commerce whatsoever in the District, in or on privately owned property and in or on property owned by the United States Government, or by the District, not including, however, labor or services rendered by any individual as an employee for wages, salary, or commission.

Activities not included. "The term 'business' shall not include the usual activities of boards of trade, chambers of commerce, trade associations or unions, or other associations performing the services usually performed by trade associations and unions, community chest funds or foundations, corporations organized and operated exclusively for religious, charitable, scientific, literary, or educational purposes, or for the prevention of cruelty to children or animals, or clubs or fraternal organizations operated exclusively for social, literary, educational, or fraternal purposes, where no part of the net earnings or income or receipts from such units, groups, or associations inures to any private shareholder or individual, and no substantial part of the activities of which is carried on for propaganda or attempting to influence legislation: *Provided*, *however*, That if any such units, groups, or associations shall engage in activities other than the activities in which such units, groups, or associations usually engage, such activities shall be included in the term 'business': *Provided further*, That activities conducted for gain or profit by any educational institution, hospital, or any other institution mentioned in this subparagraph, are included in the term 'business'.

Provisos.
Inclusion, if engaging in business.

Activities conducted for gain, etc.

"Gross receipts." "(f) The term 'gross receipts' means the gross receipts received from any business in the District, including cash, credits, and property of any kind or nature, without any deduction therefrom on account of the cost of the property sold, the cost of materials, labor, or services, or other costs, interest or discount paid, or any expense whatsoever: *Provided*, That any credits included by a taxpayer in a prior return of gross receipts which shall not have been collected during the period since the filing of the return in which the credit was included may be deducted from the gross receipts covered by the subsequent return: *Provided*, *however*, That if such credit shall be collected during a succeeding taxable period, such item shall be included in the return of gross receipts for such succeeding taxable period: *Provided further*, That the term 'gross receipts' when used in connection with or in respect to financial transactions involving the sale of notes, stocks, bonds, and other securities, or the loan, collection, or advance of money, or the discounting of notes, bills, or other evidences of debt, shall be deemed to mean the gross interest, discount or commission, or other gross income earned by means of or resulting from said financial transactions: *Provided further*, That in connection with commission merchants, attorneys or other agents, the term 'gross receipts' shall be deemed to mean the gross amount of such commissions or gross fees received by them, and as to stock and bond brokers, the term 'gross receipts' shall be deemed to mean gross amount of commissions or gross fees received, the gross trading profit on securities bought and sold, and the gross interest income on marginal accounts from business done or arising in the District:

Provisos.
Deduction of certain credits.

Inclusion, if collected during a succeeding taxable period.

Term when used in certain financial transactions.

In connection with commission merchants, attorneys, etc.

Provided further, That with respect to contractors the term 'gross receipts' shall mean their total receipts, less money paid by them to subcontractors for work and labor performed and material furnished by such subcontractors in connection with such work and labor.

With respect to contractors.

"(g) The term 'fiscal year' means the year beginning on the 1st day of July and ending on the 30th day of June following.

"Fiscal year."

"(h) The term 'original license' shall mean the first license issued to any person for any single place of business and the term 'renewal license' shall mean any subsequent license issued to the same person for the same place of business.

"Original license."
"Renewal license."

"SEC. 2. (a) No person shall engage in or carry on any business in the District without having a license required by this title so to do from the Commissioners, except that no license shall be required of any person selling newspapers, magazines, and periodicals, whose sales are not made from a fixed location and which sales do not exceed the annual sum of $2,000.

License required; exceptions.

"(b) All licenses issued under this title shall be in effect for the duration of the fiscal year in which issued, unless revoked as herein provided, and shall expire at midnight of the 30th day of June of each year. No license may be transferred to any other person.

Duration of licenses.

Not transferable.

"(c) All licenses granted under this title must be conspicuously posted on the premises of the licensee and said license shall be accessible at all times for inspection by the police or other officers duly authorized to make such inspection. Licensees having no located place of business shall exhibit their licenses when requested to do so by any of the officers above named.

Posting; accessibility.

"(d) Licenses shall be good only for the location designated thereon, except in the case of licenses issued hereunder for businesses which in their nature are carried on at large and not at a fixed place of business. No license shall be issued for more than one place of business without a payment of a separate fee for each, except where a taxpayer is engaged in the business of renting real estate.

Good for designated location only.

"(e) Any person not having an office or place of business in the District but who does or transacts business in the District by or through an employee or agent, shall procure the license provided by this title. Said license shall be carried and exhibited by said employee or agent: *Provided, however*, That where said person does or transacts business in the District by or through two or more employees or agents, each such employee or agent shall carry either the license or a certificate from the Commissioners that the license has been obtained. Such certificates shall be in such form as the Commissioners shall determine and shall be furnished without charge by the Commissioners upon request. No employee or agent of a person not having an office or place of business within the District shall engage in or carry on any business in the District for or on behalf of such person unless such person shall have first obtained a license as provided by this title.

Person without office in District transacting business in District through agent.

Proviso.
Business license or certificate required.

Form of certificate.

"(f) The Commissioners may, after hearing, revoke any license issued hereunder for failure of the licensee to file a return or corrected return within the time required by this title as originally enacted or amended or to pay any installment of tax when due thereunder.

Revocation.

"(g) Licenses shall be renewed for the ensuing fiscal year upon application as provided in section 3 of this title: *Provided*, That no license shall be renewed if the taxpayer has failed or refused to pay any tax or installment thereof or penalties thereon imposed by this title as originally enacted or as amended: *Provided, however*, That the Commissioners in their discretion for cause shown may, on such

Renewals.

Provisos.
Restrictions.

Waiver of provisions.

terms and conditions as they may determine or prescribe, waive the provisions of this paragraph.

Fee.

"SEC. 3. (a) Applications for license shall be upon a form prescribed and furnished by the Commissioners, and each application shall be accompanied by a fee of $10: *Provided*, That no fee for the renewal of any license previously issued shall be required of any person if he shall certify under oath (1) that his gross receipts during the year immediately preceding his application, if he was engaged in business during all of such period of time, or (2) that his gross receipts as computed in section 5 of this title, if he was engaged in business for less than one year immediately preceding his application; were not more than $2,000. Application for an original license may be made at any time. Application for a renewal license shall be made during the month of May immediately preceding the fiscal year for which it is desired that the license be renewed: *Provided*, That where an original license is issued to any person after the 1st day of May of any year, application for a renewal of such license for the ensuing fiscal year may be made at any time prior to the expiration of the fiscal year in which such original license was issued.

Proviso.
Exemptions.

Application for original licenses; renewals.

Proviso.
Original licenses issued after May 1; renewals.

Penalty for delinquency.

"(b) In the event of the failure of a licensee to apply for renewal of a license or licenses within the time prescribed herein, such licensee shall be required to pay for the renewal of each license the sum of $5 in addition to the fees prescribed herein, and the license fee in no event shall be less than $5 for each such renewal license.

Financial statements.

"SEC. 4. (a) Every person subject to the provisions of this title, whose annual gross receipts during the preceding calendar year exceed $2,000, shall, during the month of July of each year, furnish to the assessor, on a form prescribed by the Commissioners, a statement under oath showing the gross receipts of the taxpayer during the preceding calendar year, which return shall contain such other information as the Commissioners may deem necessary for the proper administration of this title. The burden of proof shall be upon the person claiming exemption from the requirement of filing a return to show that his gross annual receipts are not in excess of $2,000.

Examination of books, etc.

"(b) The Commissioners, for the purpose of ascertaining the correctness of any return filed hereunder, or for the purpose of making a return where none has been made, are authorized to examine any books, papers, records, or memoranda of any person bearing upon the matters required to be included in the return and may summon any person to appear and produce books, records, papers, or memoranda bearing upon the matters required to be included in the return, and to give testimony or answer interrogatories under oath respecting the same, and the Commissioners shall have power to administer oaths to such person or persons. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then, and in that event, the Commissioners may report that fact to the District Court of the United States for the District of Columbia, or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to such summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

Summons; power to compel obedience.

Extension of time for filing return.

"(c) The Commissioners are authorized and empowered to extend for cause shown the time for filing a return for a period not exceeding thirty days.

Tax rate.

"SEC. 5. (a) For the privilege of engaging in business in the District during any fiscal year after June 30, 1938, each person so engaged shall pay to the Collector of Taxes a tax measured upon

gross receipts in excess of $2,000 derived from such business for the calendar year immediately preceding, as follows:

"1. That with respect to dealers in goods, wares, and merchandise, where the spread or difference between the cost of goods sold and the sale price does not exceed 3 per centum of the cost of the goods sold, one-tenth of 1 per centum of such dealers' gross receipts; where such spread or difference exceeds 3 but does not exceed 6 per centum, two-tenths of 1 per centum of such dealers' gross receipts; and where such spread or difference exceeds 6 per centum but does not exceed 9 per centum, three-tenths of 1 per centum of such dealers' gross receipts; and where such spread or difference exceeds 9 per centum, four-tenths of 1 per centum of such dealers' gross receipts. The cost of such goods, wares, and merchandise sold shall be determined after considering the inventories both at the beginning and at the end of the period covered by the return and purchases made during such period, and such inventories shall be valued at cost or market, whichever is lower, and shall be in agreement with the inventories as reflected by the books of such dealers. The cost of goods, wares, and merchandise shall be the actual purchase price, including the prevailing freight rate to the dealer's place of business in the District. The burden of proving under which classification the taxpayer shall be taxed shall be upon the taxpayer, and, unless the taxpayer shall by proof satisfactory to the assessor show to the contrary, the spread or difference between the cost of goods, wares, and merchandise sold by the taxpayer and the selling price of such goods, wares, and merchandise shall be presumed to be in excess of 9 per centum of the cost of the goods, wares, and merchandise sold, and the taxpayer shall be taxed accordingly.

Where spread or difference between cost and sale price does not exceed 3 per centum.

Exceeding 3 but not exceeding 6 per centum.

Not exceeding 9 per centum.

In excess of 9 per centum.

Determination of cost.

Burden of proof as to classification.

"2. All persons, other than those mentioned in subparagraph (1) of this paragraph shall pay a tax equal to four-tenths of 1 per centum of the gross receipts derived by such persons from such business.

Tax on all others.

"(b) If a taxpayer shall not have been engaged in business during the entire calendar year upon the gross receipts of which the tax imposed by this title is measured, he shall pay the tax imposed by this title measured by his gross receipts during the period of one year from the date when he became so engaged; and if such taxpayer shall not have been so engaged for an entire year prior to the beginning of the fiscal year for which the tax is imposed then the tax imposed shall be measured by his gross receipts during the period in which he was so engaged multiplied by a fraction, the numerator of which shall be 365 and the denominator of which shall be the number of days in which he was so engaged.

Computation for fraction of year.

"(c) If a person liable for the tax during any year or portion of a year for which the tax is computed acquires the assets or franchises of or merges or consolidates his business with the business of any other person or persons, such person liable for the tax shall report, as his gross receipts by which the tax is to be measured, the gross receipts for such year of such other person or persons together with his own gross receipts during such year.

Consolidation of business.

"SEC. 6. National banks and all other incorporated banks and trust companies, street railroad, gas, electric lighting, and telephone companies, companies incorporated or otherwise, who guarantee the fidelity of any individual or individuals, such as bonding companies, companies who furnish abstracts of title, savings banks, and building and loan associations which pay taxes under existing laws of the District upon gross receipts or gross earnings, and insurance companies which pay a tax upon premiums shall be exempt from the provisions of this title.

National banks, public utilities, etc.; exemption.

Insurance companies.

Date due; payment.

"SEC. 7. (a) The taxes imposed hereby shall be due on the 1st day of July of the fiscal year for which such taxes are assessed and may be paid, without penalty, to the collector of taxes of the District in equal semiannual installments in the months of October and April following. If either of said installments shall not be paid within the month when the same is due, said installment shall thereupon be in arrears and delinquent and there shall be added and collected to said tax a penalty of 1 per centum per month upon the amount thereof for the period of such delinquency, and said installment with the penalties thereon shall constitute a delinquent tax.

Penalty for delinquency.

Credit for tax paid on tangible personal property.
Post, p. 624.

"(b) Any tax on tangible personal property levied against, and paid by, the taxpayer to the District, within the time prescribed by law for the payment of such tax by the taxpayer, shall be allowed as a credit against the tax imposed by this title for the taxable year in which such tax on tangible personal property is paid.

Determination of amount if no return filed, etc.

"SEC. 8. If a return required by this title is not filed, or if a return when filed is incorrect or insufficient and the maker fails to file a corrected or sufficient return within twenty days after the same is required by notice from the assessor, the assessor shall determine the amount of tax due from such information as he may be able to obtain, and, if necessary, may estimate the tax on the basis of external indices such as number of employees of the person concerned, rentals paid by him, stock on hand, and other factors. The assessor shall give notice of such determination to the person liable for the tax. Such determination shall fix the tax, subject however to appeal as provided in sections 3 and 4 of title IX of this Act.

Notice.

Appeal.
Post, p. 371.

Penalty provision.

"SEC. 9. Any person failing to file a return or corrected return within the time required by this title shall be subject to a penalty of 10 per centum of the tax due for the first month of delay plus 5 per centum of such tax for each additional month of delay or fraction thereof.

Notice by mail presumptive evidence of receipt.

"SEC. 10. Any notice authorized or required under the provisions of this title may be given by mailing the same to the person for whom it is intended by mail addressed to such person at the address given in the return filed by him pursuant to the provisions of this title, or if no return has been filed then to his last-known address. The mailing of such notice shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which must be determined under the provisions of this title by the giving of notice shall commence to run from the date of mailing such notice.

Collection of taxes and penalties.

"SEC. 11. The taxes levied hereunder and penalties may be assessed by the assessor and collected by the collector of taxes of the District in the manner provided by law for the assessment and collection of taxes due the District on personal property in force at the time of such assessment and collection.

Penalties.

"SEC. 12. Any person engaging in or carrying on business without having a license so to do, or failing or refusing to file a sworn report as required herein, or to comply with any rule or regulation of the Commissioners for the administration and enforcement of the provisions of this title shall, upon conviction thereof, be fined not more than $300 for each and every failure, refusal, or violation, and each and every day that such failure, refusal, or violation continues shall constitute a separate and distinct offense. All prosecutions under this title shall be brought in the police court of the District on information by the corporation counsel or his assistant in the name of the District.

Bureau of Internal Revenue to supply requested information.

"SEC. 13. The Bureau of Internal Revenue of the Treasury Department of the United States is authorized and required to supply such

information as may be requested by the Commissioners relative to any person subject to the taxes imposed under this title.

"SEC. 14. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner the receipts or any other information relating to the business of a taxpayer contained in any return required under this title. The persons charged with the custody of such returns shall not be required to produce any of them or evidence of anything contained in them in any action or proceeding in any court, except on behalf of the United States or the District, or on behalf of any party to any action or proceeding under the provisions of this title, when the returns or facts shown thereby are directly involved in such action or proceeding, in either of which events the court may require the production of, and may admit in evidence, so much of such returns or of the facts shown thereby, as are pertinent to the action or proceeding and no more. Nothing herein shall be construed to prohibit the delivery to a taxpayer, or his duly authorized representative, of a certified copy of any return filed in connection with his tax, nor to prohibit the publication of statistics so classified as to prevent the identification of particular returns and the items thereof, or the inspection by the corporation counsel of the District, or any of his assistants, of the return of any taxpayer who shall bring action to set aside or review the tax based thereon, or against whom an action or proceeding has been instituted for the collection of a tax or penalty. Returns shall be preserved for three years and thereafter until the Commissioners order them to be destroyed. Any violation of the provisions of this section shall be subject to the punishment provided by section 12 of this title.

Divulging of information relating to business of taxpayer unlawful; exception.

Furnishing taxpayer with copy of his return.

Publication of statistics.

Use of returns in court action.

Preservation of returns.

Penalty for violation.

"SEC. 15. This title shall not be deemed to repeal or in any way affect any existing Act or regulation under which taxes are now levied, or any license or license fees are now required.

Existing provisions not repealed.

"SEC. 16. Sections 2 and 3 of this title shall be effective upon the approval of this Act. The remaining sections of this title shall be effective July 1, 1938. This title shall expire June 30, 1939.

Effective dates of designated sections.

Expiration of title.

"SEC. 17. Appropriations are hereby authorized for such additional personnel and expenses as may be necessary to carry out the provisions of this Act.

Additional personnel and other necessary expenses.

"SEC. 18. The proper apportionment and allocation of gross receipts with respect to sources within and without the District may be determined by processes or formulas of general apportionment under rules and regulations prescribed by the Commissioners."

Apportionment and allocation of gross receipts.

(b) The amendment made by this section shall not affect the taxes imposed and the licenses required by the provisions of title VI of such Act for the fiscal year ending June 30, 1938.

Existing provisions to remain effective, fiscal year 1938.

SEC. 7. Title VII of such Act is amended to read as follows:

50 Stat. 692.

"SEC. 1. For the fiscal years ending June 30, 1938, and June 30, 1939, the rate of taxation imposed for the District of Columbia on real and tangible personal property shall not be less than 1.75 per centum on the assessed value of such property.

Real and tangible personal property, rate for fiscal years 1938 and 1939.

"SEC. 2. Until and including June 30, 1939, the Secretary of the Treasury, notwithstanding the provisions of the District of Columbia Appropriation Act, approved June 29, 1922, is authorized and directed to advance, on the requisition of the Commissioners of the District of Columbia, made in the manner now prescribed by law, out of any money in the Treasury of the United States not otherwise appropriated, such sums as may be necessary, from time to time, during said fiscal year to meet the general expenses of said District as

Authorization for advance of funds.
42 Stat. 668.

Reimbursement.

authorized by Congress, and such amounts so advanced shall be reimbursed by the said Commissioners to the Treasury out of taxes and revenue collected for the support of the government of the said District of Columbia.

Administrative rules and regulations.

"SEC. 3. The Commissioners of the District of Columbia are authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act.

Separability of provisions.

"SEC. 4. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the remainder of the Act, and the application of such provisions to other persons or circumstances, shall not be affected thereby.

Divulging of information obtained from Bureau of Internal Revenue unlawful; exception.

"SEC. 5. Except in accordance with proper judicial order or as otherwise provided by law, it shall be unlawful for the Commissioners or any person having an administrative duty under this title to divulge or make known in any manner any information obtained from the Bureau of Internal Revenue in accordance with any provisions of this Act. Any violation of the provisions of this section shall subject the offender to a fine of $300 or imprisonment for ninety days.

Penalty for violation.

Survey of tax structure of the District of Columbia.

Sum authorized, from District revenues.

Post, p. 1121.

"SEC. 6. There is hereby authorized to be appropriated out of the revenues of the District of Columbia the sum of $10,000, for the employment of professional and clerical services in connection with a survey and study of the entire tax structure of the District of Columbia, including taxes paid by public utilities, to be made under the direction of the Joint Committee on Internal Revenue Taxation. Such sum shall be available for necessary expenses, and for personal services without regard to the civil-service requirements, the Classification Act of 1923, as amended, or section 3709 of the Revised Statutes. A report of such survey, with recommendations, shall be made to Congress not later than January 15, 1939."

Personal services.

5 U. S. C. §§ 661–674; Supp. III, §§ 673, 673c.

41 U. S. C. § 5.

Report to Congress.

SEC. 8. Such Act is further amended by adding thereto the following new titles, to be known as title IX, title X, and title XI:

New titles added.

50 Stat. 694.

"TITLE IX—TAX APPEALS

Title IX—Tax appeals.

Terms defined.

"SEC. 1. In the interpretation of this title, unless the context indicates a different meaning—

"The word 'tax' means the tax or taxes mentioned in this title.

"The word 'appeal' means the appeal provided in this title.

"The word 'Board' means the Board of Tax Appeals for the District of Columbia created by this title.

"The word 'Commissioners' means the Commissioners of the District of Columbia or their duly authorized representative or representatives.

"The word 'District' means the District of Columbia.

"The word 'person' includes any individual, firm, copartnership, joint adventure, association, corporation (domestic or foreign), trust, estate, or receiver.

"The word 'court' shall mean the United States Court of Appeals for the District of Columbia.

"The word 'assessor' shall mean the assessor of the District of Columbia.

"The words 'Board of Equalization and Review' shall mean the Board of Equalization and Review of the District of Columbia.

Board of Tax Appeals for the District of Columbia.

Appointment by Commissioners.

Citizenship, term, vacancies, etc.

"SEC. 2. The Commissioners, within fifteen days after the approval of this Act, shall appoint a Board of one person, subject to removal by the Commissioners, to be called the 'Board of Tax Appeals for the District of Columbia', which person shall be a citizen of the United States. Such person shall be appointed for a term of four years, except such appointment as may be made for the remainder of an

unexpired term. Any vacancy caused by death, resignation, or otherwise shall be filled by the Commissioners only for an unexpired term. Such person shall be eligible for reappointment. Such person shall be an attorney and in active practice of law for at least ten years next preceding his appointment.

Legal qualifications.

"The salary of such person so appointed shall be $7,500 per annum. The Commissioners are authorized to employ such other personal services as may be necessary to carry out the provisions of this title and to provide for the expenses of the Board. The salaries of employees other than the Board shall be fixed in accordance with the Classification Act of 1923, as amended, but such employees shall be appointed without regard to civil-service requirements. The Commissioners shall include in their annual estimates such amounts as may be required for the salaries and expenses herein authorized.

Salary.

Personal services and expenses.
Post, p. 1119.
5 U. S. C. §§ 661-674; Supp. III, §§ 673, 673c.

Inclusion of necessary amounts in annual estimates.

"SEC. 3. Any person aggrieved by any assessment by the District against him of any personal property, inheritance, estate, business privilege, gross receipt, gross earnings, or insurance premiums tax or taxes, or penalties thereon, may, within ninety days after notice of such assessment, appeal from such assessment to the Board, provided such person shall first pay such tax, together with penalties and interest due thereon, to the collector of taxes of the District of Columbia under protest in writing. The mailing to the taxpayer of a statement of taxes due shall be considered notice of assessment with respect of such taxes. The Board shall hear and determine all questions arising on said appeal and shall make separate findings of fact and conclusions of law, and shall render his decision thereon in writing. The Board may affirm, cancel, reduce, or increase such assessment.

Appeal from assessment.

Payment of tax, etc., under protest.

Hearings, findings, etc.

Decision.

"SEC. 4. (a) The decision of the Board may be reviewed by the court as hereinafter provided if a petition for such review is filed by either the District or the taxpayer within thirty days after the decision is rendered. Such petition for review shall be filed with the Board, and shall be in such form as the Board by regulation shall provide. Upon such review the court shall have the power to affirm, or if the decision of the Board is not in accordance with law, to modify or reverse the decision of the Board, with or without remanding the case for hearing, as justice may require. The court shall have the exclusive jurisdiction to review the decisions of the Board, and the judgment of the court shall be final, except that it shall be subject to review by the Supreme Court of the United States upon certiorari in the manner provided in section 240 of the Judicial Code, as amended. The court is authorized to adopt rules for the filing of the record on review, the preparation of the record for review, and the conduct of the proceedings upon such review and, until the adoption of such rules, the rules of the court relating to appeals in cases in equity, so far as applicable, shall govern. The findings of fact by the Board shall have the same effect as a finding of fact by an equity court or a verdict of a jury.

Review by court; procedure.

Jurisdiction of court.

Review by Supreme Court.
28 U. S. C. § 347.

Findings of fact by Board; effect.

"(b) The Board is authorized to fix a fee, not in excess of the fee usually charged and collected therefor by the clerk of the District Court of the United States for the District of Columbia, for comparing and preparing the transcript of record, and to fix charges for supplying copies of testimony or copies of other documents and papers. The fees and charges so fixed shall be paid to the collector of taxes of the District and deposited in the Treasury of the United States to the credit of the District of Columbia.

Transcripts of record, etc., fees and charges.

"(c) The decision of the Board shall become final (1) upon the expiration of the time allowed for filing a petition for review, if no such petition be duly filed within such time; or (2) upon the expiration of time allowed for filing of petition for certiorari if the

Decision of Board, when final.

decision of the Board has been affirmed or the petition for review dismissed by the court, or no petition for certiorari has been filed; or (3) upon denial of a petition for certiorari if the decision of the Board has been affirmed or the petition for review dismissed by the court; or (4) upon the expiration of thirty days from the date of issuance of the mandate of the Supreme Court, if such Court directs that the decision of the Board be affirmed or the petition for review dismissed.

Modification or reversal of decision by Supreme Court.

"(d) If the Supreme Court directs that the decision of the Board be modified or reversed, the decision of the Board rendered in accordance with the mandate of the Supreme Court shall become final upon the expiration of thirty days from the time it was rendered unless within such thirty days either the District or the taxpayer has instituted proceedings to have such decision corrected to accord with the mandate, in which event the decision of the Board shall become final when so corrected.

Modification or reversal of decision by court.

"(e) If the decision of the Board is modified or reversed by the court and if (1) the time allowed for filing a petition for certiorari has expired and no such petition has been filed, or (2) the petition for certiorari has been denied, or (3) the decision of the court has been affirmed by the Supreme Court, then the decision of the Board rendered in accordance with the mandate of the Court shall become final upon the expiration of thirty days from the time such decision of the Board was rendered, unless within such thirty days either the District or the taxpayer has instituted proceedings to have such decision corrected so that it will accord with the mandate, in which event the decision of the Board shall become final when so corrected.

Rehearings.

"(f) If the Supreme Court orders a rehearing, or if the case is remanded by the Court for rehearing and if (1) the time allowed for filing of a petition for certiorari has expired and no such petition has been duly filed; or (2) the petition for certiorari has been denied; or (3) the decision of the Court has been affirmed by the Supreme Court, then the decision of the Board rendered upon such rehearing shall become final in the same manner as though no prior decision of the Board had been rendered.

"Mandate" defined.

"(g) As used in this section the term 'mandate', in case a mandate has been recalled prior to the expiration of thirty days from the date of the issuance thereof, means the final mandate.

Board of Equalization and Review; composition, meetings, etc.

"SEC. 5. (a) The assessor of the District and the board of assistant assessors, with the assessor as chairman, shall compose a Board of Equalization and Review, and as such Board of Equalization and Review they shall convene in a room to be provided for them by the Commissioners, on the first Monday of January of each year, and shall remain in session until the first Monday in April of each year, after which date no complaint as to valuation as herein provided shall be received or considered by such Board of Equalization and Review.

Public notice of sessions.

Public notice of the time and place of such session shall be given by publication for two successive days in two daily newspapers in the District not more than two weeks or less than ten days before the beginning of said session.

Equalization of value of real property for assessment.

It shall be the duty of said Board of Equalization and Review to fairly and impartially equalize the value of real property made by the board of assistant assessors as the basis for assessment.

Quorum, etc.

Any five of said Board of Equalization and Review shall constitute a quorum for business, and, in the absence of the assessor, a temporary chairman may be selected. They shall immediately proceed to equalize the valuations made by the board of assistant assessors so that each lot and tract and improvements thereon shall be entered upon the tax list at their value in money; and for this purpose they shall hear such complaints as may be made in respect of

Hearing of complaints.

said assessments, and in determining them they may raise the valuation of such tracts or lots as in their opinion may have been returned below their value and reduce the valuation of such as they may believe to have been returned above their value to such sum as in their opinion may be the value thereof. The valuation of the real property made and equalized as aforesaid shall be completed not later than the first Monday of May annually. The valuation of said real property made and equalized as aforesaid shall be approved by the Commissioners not later than July 1 annually, and when approved by the Commissioners shall constitute the basis of taxation for the next succeeding year and until another valuation is made according to law, except as hereinafter provided. Any person aggrieved by any assessment, equalization, or valuation made pursuant to this paragraph may within ninety days after July 1 of the year in which such assessment, equalization, or valuation is made, appeal from such assessment, equalization, or valuation in the same manner and to the same extent as provided in sections 3 and 4 of this title.

Completion of valuation.

Approval; use as basis for taxation for succeeding year.

Appeal from assessment, equalization, or valuation.

"(b) Annually, on or prior to July 1 of each year, the board of assistant assessors shall make a list of all real estate which shall have become subject to taxation and which is not then on the tax list, and affix a value thereon, according to the rules prescribed by law for assessing real estate; shall make return of all new structures erected or roofed, and additions to or improvements of old structures which shall not have been theretofore assessed, specifying the tract or lot of land on which each of such structures has been erected, and the value of such structure, and they shall add such valuation to the assessment made on such tract or lot. When the improvements on any lot or tract of land shall become damaged or be destroyed from any cause, the said board of assistant assessors shall reduce the assessment on said property to the extent of such damage: *Provided*, That the Board of Equalization and Review shall hear such complaints as may be made in respect of said assessments between July 1 and July 15 and determine the same not later than August 1 of the same year. Any person aggrieved by any assessment or valuation made pursuant to this paragraph may, within ninety days after August 1 of the year in which said valuation or assessment is made, appeal from such assessment or valuation in the same manner and to the same extent as provided in sections 3 and 4 of this title.

Annual listing of taxable real estate not then on tax list.

New structures erected or roofed.

Old structures, additions or improvements.

Reduction for damage or destruction of improvements.

Proviso.
Complaints.

Appeal from assessment or valuation.

"(c) In addition to the annual assessment of all real estate made on or prior to July 1 of each year there shall be added a list of all new buildings erected or under roof prior to January 1 of each year, in the same manner as provided by law for all annual additions; and the amounts thereof shall be added as assessment for the second half of the then current year payable in the month of March. When the improvements on any lot or tract of land shall become damaged or be destroyed from any cause prior to January 1 of each year the said board of assistant assessors shall reduce the assessment on said property to the extent of said damage for the second half of the then current year payable in the month of March. The Board of Equalization and Review shall hear such complaints as may be made in respect of said assessments for the second half of said year between January 1 and January 15 and determine said complaints not later than February 1 of the same year. Any person aggrieved by any assessment made in pursuance of this paragraph may within ninety days after February 1 of the year in which such assessment is made, appeal from such assessment in the same manner and to the same extent as provided in sections 3 and 4 of this title.

New buildings erected or roofed prior to January 1 of each year, assessment.

Added to current year.

Reduction for damage to improvements prior to January 1.

Hearing of complaints.

"(d) If the board of assistant assessors shall learn that any property liable to taxation has been omitted from the assessment for any

Property omitted from assessment and void assessments; reassessment.

previous year or years, or has been so assessed that the assessment was void, it shall be their duty at once to reassess this property for each and every year for which it has escaped assessment and taxation, and report the same, through the assessor, to the collector of taxes who shall at once proceed to collect the taxes so in arrears as other taxes are collected: *Provided*, That no property which has escaped assessment and taxation shall be liable under this section for a period of more than three years prior to such assessment, except in the case of property involved in litigation. In addition to the duties of the assessor hereinbefore provided, it shall be the duty of the assessor upon reassessment as herein provided to notify the taxpayer by writing of the fact of such reassessment. Any person aggrieved by any reassessment made in pursuance of this paragraph, may within ninety day [1] after notice of said reassessment, appeal from said reassessment in the same manner and to the same extent as provided in sections 3 and 4 of this title.

Proviso. Limit of liability.

Appeal from reassessment.

"(e) Whenever application is made according to law for the reassessment or redistribution of taxes by reason of the subdivision of any tract of land in the District, the board of assistant assessors charged with the assessment of real estate in the District is hereby authorized and directed to reassess and redistribute any general or special assessment or tax levied or due and unpaid in accordance with provisions of laws for the assessment and equalizations of valuations of real estate in the District for taxation. The assessor shall promptly notify the owners of record of the land, the taxes of which shall be reassessed or redistributed. Notices in such case shall be served upon each lot or parcel owner if he or she be a resident of the District and his or her residence known, and if he or she be a nonresident of the District, or his or her residence unknown, such notice shall be served on his or her tenant or agent, as the case may be, and if there be no tenant or agent known to the Commissioners, then they shall give notice of such assessment by advertisement twice a week for two weeks in some newspaper published in said District. The service of such notice, where the owner or his tenant or agent resides in the District, shall be either personal or by leaving the same with some person of suitable age at the residence or place of business of such owner, agent, or tenant; and return of such service, stating the manner thereof, shall be made in writing and filed in the office of said Commissioners. Any person aggrieved by such reassessment or redistribution, may within ninety days after notice of such reassessment or redistribution, appeal from such reassessment or redistribution in the same manner and to the same extent as provided in sections 3 and 4 of this title.

Subdivided property, reassessment or redistribution of taxes.

Notices.

Appeal from reassessment or redistribution.

"SEC. 6. Any taxpayer who shall have paid within three years immediately preceding the approval of this Act any tax to the District involuntarily, and under circumstances which according to law would entitle such taxpayer to the right to sue at law for the recovery of such tax, may within ninety days from the approval of this Act, appeal from the imposition of such tax in the same manner and to the same extent as set forth in sections 3 and 4 of this title.

Appeal from imposition of tax involuntarily paid; suit.

"SEC. 7. Any sum finally determined by the Board to have been erroneously paid by or collected from the taxpayer shall be refunded by the District to the taxpayer from its annual appropriation for refunding erroneously paid taxes in said District.

Refund of erroneous collections.

"SEC. 8. The Board shall adopt and promulgate rules of procedure in matters for determination by the Board under the provisions of this title.

Rules of procedure.

[1] So in original.

Authority to take testimony, etc.

"SEC. 9. The Board is hereby authorized and empowered to summon any person before it to give testimony on oath or affirmation or to produce all books, records, papers, documents, or other legal evidence as to any matter relating to this title; and the Board is authorized to administer oaths and to take testimony for the purposes of the administration of this title. Such summons may be served by any member of the Metropolitan Police Department. If any person having been personally summoned shall neglect or refuse to obey the summons issued as herein provided, then and in that event the Board may report that fact to the District Court of the United States for the District of Columbia or one of the justices thereof, and said court or any justice thereof hereby is empowered to compel obedience to said summons to the same extent as witnesses may be compelled to obey the subpenas of that court.

Summons.

Certain suits forbidden.

"SEC. 10. No suit shall be filed to enjoin the assessment or collection by the District of Columbia or any of its officers, agents, or employees of any tax.

Manner of serving notices.

"SEC. 11. Any notice authorized or required under the provisions of this title may be given by mailing the same to the person for whom it is intended, addressed to such person at the address given in any return filed by him, or, if no return has been filed, then to his last-known address. The proof of mailing of any notice mentioned in this title shall be presumptive evidence of the receipt of the same by the person to whom addressed. Any period of time which must be determined under the provisions of this title by the giving of notice shall commence to run from the date of mailing of such notice.

Inconsistent laws, etc., repealed.

"SEC. 12. All Acts or parts of Acts inconsistent with this title are hereby repealed.

"TITLE X—REPEAL OF PROVISION FOR FEDERAL CONTRIBUTION

Repeal of provision for Federal contribution.

"There is repealed so much of an Act entitled 'An Act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of such District for the fiscal year ending June 30, 1923, and for other purposes', approved June 29, 1922, as reads as follows: 'That, annually, from and after July 1, 1922, 60 per centum of such expenses of the District of Columbia as Congress may appropriate for shall be paid out of the revenues of the District of Columbia derived from taxation and privileges, and the remaining 40 per centum by the United States, excepting such items of expense as Congress may direct shall be paid on another basis; * * *' '* * * and that after June 30, 1922, where the United States is the owner of ground or the holder thereof in trust for the public, upon which improvements have been made at the joint expense of the United States and the District of Columbia, the revenues therefrom shall first be used to pay the United States 3 per centum of the full value of the ground as a ground rent, and the remainder shall be divided between them in the same proportion that each contributed to said improvements, and for such purposes the assessor for the District of Columbia shall fix the full value of the ground after he has first made oath that he will fairly and impartially appraise the same; and that after June 30, 1922, any revenue derived from any activity or source whatever, including motor-vehicle licenses, not otherwise herein disposed of, which activity or source of revenue is appropriated for by both the United States and the District of Columbia, shall be divided between the two in the same proportion that each has contributed thereto; * * *'.

42 Stat. 668.

"TITLE XI—TAX ON BEER

Tax on beer.

"The District of Columbia Alcoholic Beverage Control Act approved January 24, 1934, as amended, is further amended by adding at the end thereof a new section to be numbered 40 and to read as follows:

48 Stat. 319; 50 Stat. 802.

Levy of 50 cents a barrel, sold in the District of Columbia; exceptions.

"'SEC. 40. (a) There shall be levied and collected by the District of Columbia on all beer sold by the holder of a manufacturer's or wholesaler's license, except such beer as may have been purchased from a licensee under this Act, and except such beer as may be sold to a dealer licensed under the laws of any State or Territory of the United States and not licensed under this Act, and on all beer purchased for resale by the holder of a retailer's license, except such beer as may have been purchased from a licensee under this Act, a tax of 50 cents for every barrel containing not more than thirty-one gallons and at a like rate for any other quantity or for the fractional parts thereof. Unless the Commissioners shall by regulation prescribe otherwise, the collection and payment of such tax shall be in the manner following:

Manner of collection and payment.

"'(1) Each holder of a manufacturer's or wholesaler's license shall, on or before the 10th day of each month, furnish to the assessor of the District of Columbia, on a form to be prescribed by the Commissioners, a statement under oath showing the quantity of beer subject to taxation hereunder sold by him during the preceding calendar month and shall, on or before the 15th day of each month, pay to the collector of taxes of the District of Columbia the tax hereby imposed upon the quantity of beer subject to taxation hereunder sold by him during the preceding calendar month.

Transportation restrictions.

"'(2) No licensee holding a retailer's license shall transport or cause to be transported into the District of Columbia for resale any beer, other than the regular stock on hand in a passenger-carrying marine vessel operating in and beyond the District of Columbia, or a club car or a dining car on a railroad operating in and beyond the District of Columbia, for which a retailer's license, class C or D, has been issued under this Act, unless such licensee has first obtained a permit so to do from the Alcoholic Beverage Control Board. No such permit shall issue until the tax imposed by this section shall have been paid for the beer for which the permit is requested. Such permit shall specifically set forth the quantity, character, and brand or trade name of the beer to be transported and the names and addresses of the seller and of the purchaser. Such permit shall accompany such beer during its transportation in the District of Columbia to the licensed premises of such retail licensee and shall be exhibited upon the demand of any police officer or duly authorized inspector of the Board. Such permit shall, immediately upon receipt of the beer by the retail licensee, be marked "canceled" and retained by him.

Permits.

Regulations to be prescribed.

"'(b) The Commissioners are authorized and empowered to prescribe by regulation such other methods or devices or both for the assessment, evidencing of payment, and collection of the taxes imposed by this section in addition to or in lieu of the method hereinbefore set forth whenever, in their judgment, such action is necessary to prevent frauds or evasions.

Deposit of tax collections.

"'(c) The taxes imposed hereby, when collected, shall be deposited in the Treasury of the United States to the credit of the District of Columbia.'"

Approved, May 16, 1938.