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[CHAPTER 464]

JOINT RESOLUTION

October 30, 1941
[H. J. Res. 235]
[Public Law 285]

To amend section 124 of the Internal Revenue Code by extending the time for applications, and changing the procedure, for certification of national-defense facilities and contracts for amortization purposes.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 124 (f) (1) of the Internal Revenue Code, as amended, is amended to read as follows:

Internal Revenue Code, amendments.
54 Stat. 1001; *ante*, p. 4.
26 U. S. C. § 124 (f) (1).

"(1) There shall be included only so much of the amount otherwise constituting such adjusted basis as is properly attributable to such construction, reconstruction, erection, installation, or acquisition after June 10, 1940, as either the Secretary of War or the Secretary of the Navy has certified as necessary in the interest of national defense during the emergency period, which certification shall be under such regulations as may be prescribed from time to time by the Secretary of War and the Secretary of the Navy, with the approval of the President."

Certification of emergency facilities.

SEC. 2. Section 124 (f) (3) of the Internal Revenue Code, as amended, is amended by striking out "sixty days" and inserting in lieu thereof "six months" and by striking out "February 6, 1941" and inserting in lieu thereof "December 1, 1941".

Effectiveness of certificate.
Ante, p. 4.
26 U. S. C. § 124 (f) (3).

SEC. 3. Section 124 (i) of the Internal Revenue Code, as amended, is amended to read as follows:

54 Stat. 1002; *ante*, p. 4.
26 U. S. C. § 124 (i).
Public Law 436, 77th Congress.

"PROTECTION OF THE UNITED STATES.—If the taxpayer has been or will be reimbursed by the United States for all or a part of the cost of any emergency facility pursuant to any contract (in excess of $15,000 in amount) with the United States, made on its behalf after December 31, 1939, by the War Department, the Navy Department, the United States Maritime Commission, or such other department or agency as the President may designate, either—

If taxpayer reimbursed.

"(1) directly, by a provision therein dealing expressly with such reimbursement, or

"(2) indirectly, because the price paid by the United States (insofar as return of cost of the facility is used by the United States as a factor in the fixing of such price) is recognized by the contract as including a return of cost greater than the normal exhaustion, wear, and tear: *Provided*, That no such greater return of cost shall be deemed to have been used as a factor in the fixing of such price when the negotiating or contracting officer reports that after careful consideration he is satisfied that such greater return was not included in the price,

Proviso.

no amortization deduction with respect to such emergency facility shall be allowed for any month after the end of the month in which such contract is made unless either the Secretary of War or the Secretary of the Navy certifies to the Commissioner that the interest of the United States is adequately protected with reference to the future use and disposition of such emergency facility. A certificate of like effect may also be issued with respect to emergency facilities for which the taxpayer has not been or will not be so reimbursed. A certificate by either the Secretary of War or the Secretary of the Navy made to the Commissioner, to the effect that under any such contract, reimbursement for all or a part of the cost of any emergency facility is not provided for within the meaning of clause (1) or clause (2), shall be conclusive for the purposes of this subsection. Except in cases of applications therefor filed before December 1, 1941, the certificates provided for under this subsection shall have no effect unless an application therefor is filed either before the expiration of six

Nonallowance of amortization deduction.

Reimbursement not provided for under contract.

Filing of applications.

54 Stat. 1001; *ante*, pp. 4, 757.
26 U. S. C. § 124 (f).
Issuance of reports and certificates.

months after the making of such contract or before the expiration of sixty days after the making of a certificate under subsection (f), whichever is later.

"The reports of negotiating and contracting officers and the certificates provided for in this subsection shall be issued under such regulations as may be prescribed from time to time by the Secretary of War and the Secretary of the Navy, with the approval of the President.

Availability of terms, etc., to public.

"The terms and conditions of contracts with reference to reimbursement of the cost of emergency facilities and the protecting of the United States with reference to the future use and disposition of such emergency facilities shall be made available to the public."

Applicability.
26 U. S. C. § 124.

SEC. 4. The amendments made by this joint resoluton to section 124 of the Internal Revenue Code shall be applicable as if they were a part of such section on the date of the enactment of the Second Revenue Act of 1940.

54 Stat. 974, 1018.

Approved, October 30, 1941.

[CHAPTER 465]

October 30, 1941
[S. 1772]
[Public Law 286]

AN ACT

To authorize Army officers designated by the Secretary of War to take final action on reports of survey and vouchers pertaining to the loss, damage, spoilage, unserviceability, unsuitability, or destruction of Government property.

Loss, etc., of Government property.
Final action on surveys or vouchers.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That hereafter those officers of the Army designated by the Secretary of War, under such regulations as he may prescribe, may take action upon reports of survey and all other vouchers pertaining to the loss, damage, spoilage, unserviceability, unsuitability, or destruction of property of the United States under the control of the War Department, and the action taken by any such officer on said surveys or vouchers shall be final: *Provided*, That in a case where any person or concern is held pecuniarily liable for the loss, damage, spoilage, or destruction of property of the United States under the control of the War Department, such findings shall not be final until approved by the Secretary of War or by the Chief of Finance acting under the authority of the Secretary of War.

Proviso.
Cases involving pecuniary liability.

Approved, October 30, 1941.

[CHAPTER 466]

October 30, 1941
[S. 1701]
[Public Law 287]

AN ACT

To provide for pay and allowances and mileage or transportation for certain officers and enlisted men of the Naval Reserve and Marine Corps Reserve and retired officers and enlisted men of the Navy and Marine Corps.

Naval Reserve, etc.
Pay, allowances, and mileage.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That officers and enlisted men of the Naval Reserve and Marine Corps Reserve and retired officers and enlisted men of the Navy and Marine Corps who were ordered to active duty on or after September 8, 1939, contingent on physical qualification therefor, and who were found physically qualified, and reported for duty under such orders, shall be entitled to active-duty pay and allowances and to transportation or mileage for the time and distances actually required to perform the necessary travel by the shortest usually traveled route from home to place of active duty, via the place of physical examination, and for the time actually required in undergoing the physical examination: *Provided*, That such personnel examined and found not physically qualified for

Proviso.