

Public Law 87-28

May 4, 1961
[S. 1027]

AN ACT

To amend title I of the Agricultural Trade Development and Assistance Act of 1954.

Agricultural
Trade Development
and Assistance
Act of 1954,
amendment.

73 Stat. 606.
7 USC 1703.

68 Stat. 456.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 103(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by deleting "any calendar year during the period beginning January 1, 1960, and ending December 31, 1961," and substituting "the calendar year 1960," and by adding at the end thereof the following: "Agreements shall not be entered into under this title in the calendar year 1961 which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of \$3,500,000,000, plus any amount by which agreements entered into in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such preceding year by this Act as in effect during such preceding years."

Approved May 4, 1961.

Public Law 87-29

May 4, 1961
[H. R. 5189]

AN ACT

To amend the Internal Revenue Code of 1954 to exempt from tax income derived by a foreign central bank of issue from obligations of the United States, and for other purposes.

Tax exemption.
Foreign central
bank issues.

26 USC 891-894.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart C of part II of subchapter N of chapter 1 of the Internal Revenue Code of 1954 (relating to nonresident aliens and foreign corporations) is amended by adding at the end thereof the following new section:

"SEC. 895. INCOME DERIVED BY A FOREIGN CENTRAL BANK OF ISSUE FROM OBLIGATIONS OF THE UNITED STATES.

"Income derived by a foreign central bank of issue from obligations of the United States owned by such foreign central bank of issue shall not be included in gross income and shall be exempt from taxation under this subtitle unless such obligations are held for, or used in connection with, the conduct of commercial banking functions or other commercial activities."

(b) The table of sections for such subpart C is amended by adding at the end thereof the following:

"Sec. 895. Income derived by a foreign central bank of issue from obligations of the United States."

Effective date.

(c) The amendments made by subsections (a) and (b) shall be effective with respect to income received in taxable years beginning after December 31, 1960.

Small business
corporations,
election.

26 USC 1372.

SEC. 2. Section 1372 of the Internal Revenue Code of 1954 (relating to elections by small business corporations) is amended by adding at the end thereof the following new subsection:

"(g) CONSENT TO ELECTION BY CERTAIN SHAREHOLDERS OF STOCK HELD AS COMMUNITY PROPERTY.—If a husband and wife owned stock which was community property (or the income from which was community income) under the applicable community property law of a