such grant or contract is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

Records, accessibility.

(b) The Secretary and Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of such recipients that are pertinent to the grants or contracts entered into under the provisions of this Act under other than competitive bidding procedures.

Payments.

SEC. 503. Payments under this Act may be made in advance or by way of reimbursement and in such installments as the Secretary may determine.

Approved December 31, 1970.

Public Law 91-617

AN ACT

December 31, 1970
[H. R. 15979]

To provide that the interest on certain insured loans sold out of the Agricultural Credit Insurance Fund shall be included in gross income.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 306(a)(1) of the Consolidated Farmers Home Administration Act of 1961, as amended (7 U.S.C. 1926(a)(1)), is amended by adding at the end thereof the following new sentence: "When any loan made for a purpose specified in this paragraph is sold out of the Agricultural Credit Insurance Fund as an insured loan, the interest or other income thereon paid to an insured holder shall be included in gross income for purposes of chapter 1 of the Internal Revenue Code of 1954."

Agricultural Credit Insurance Fund.
Insured loans, interest; tax treatment.
79 Stat. 931.
68A Stat. 3; 83 Stat. 678.
26 USC 1.

(b) The amendment made by subsection (a) shall apply to the insured loans sold out of the Agricultural Credit Insurance Fund after the date of the enactment of this Act.

Effective date.

Approved December 31, 1970.

Public Law 91-618

AN ACT

December 31, 1970
[H. R. 16506]

To amend the Internal Revenue Code of 1954 to clarify the applicability of the exemption from income taxation of cemetery corporations.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That paragraph (13) of section 501(c) of the Internal Revenue Code of 1954 (relating to exempt organizations) is amended to read as follows:

Cemetery corporations.
Income tax exemption.
68A Stat. 164.
26 USC 501.

"(13) Cemetery companies owned and operated exclusively for the benefit of their members or which are not operated for profit; and any corporation chartered solely for the purpose of the disposal of bodies by burial or cremation which is not permitted by its charter to engage in any business not necessarily incident to that purpose and no part of the net earnings of which inures to the benefit of any private shareholder or individual."

SEC. 2. The amendment made by the first section of this Act shall apply to taxable years ending after the date of enactment of this Act.

Effective date.

Approved December 31, 1970.

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