

consistency in the revised title and with other titles of the United States Code.

In subsection (a), the text of 31:801 and 802 (related to converting certain obligations of foreign governments into obligations bearing a higher rate of interest or with a longer term to maturity) is omitted as executed.

In subsection (b), the text of 31:804 is omitted as unnecessary. The word “conditions” is substituted for “terms and conditions” because it is inclusive. The words “unless otherwise hereafter provided by law” are omitted as surplus.

Editorial Notes

REFERENCES IN TEXT

The First Liberty Bond Act, referred to in subsec. (a)(1), is act Apr. 24, 1917, ch. 4, 40 Stat. 35, which enacted sections 746, 755, 755a, 759, 764, 774, and 804 of former Title 31 and section 462a of Title 12, Banks and Banking, and amended sections 745 and 768 of former Title 31, and was repealed by Pub. L. 97-258, § 5(b), Sept. 13, 1982, 96 Stat. 1072.

The Second Liberty Bond Act, referred to in subsec. (a)(2), is act Sept. 24, 1917, ch. 56, 40 Stat. 288, which enacted sections 747, 752 to 754b, 757, 757b, 757c to 757e, 758, 760, 765, 766, 771, 773, and 801 and amended sections 745, 764, 769, and 774 of former Title 31, and was repealed by Pub. L. 97-258, § 5(b), Sept. 13, 1982, 96 Stat. 1072.

Section 7(a) of the Victory Liberty Loan Act, referred to in subsec. (a)(3), is section 7(a) of act Mar. 3, 1919, ch. 100, 40 Stat. 1309, and was repealed by Pub. L. 97-258, § 5(b), Sept. 13, 1982, 96 Stat. 1072.

§ 3111. New issue used to buy, redeem, or refund outstanding obligations

An obligation may be issued under this chapter to buy, redeem, or refund, at or before maturity, outstanding bonds, notes, certificates of indebtedness, Treasury bills, or savings certificates of the United States Government. Under regulations of the Secretary of the Treasury, money received from the sale of an obligation and other money in the general fund of the Treasury may be used in making the purchases, redemptions, or refunds.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 942.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3111	31:754a.	Sept. 24, 1917, ch. 56, 40 Stat. 288, § 19; added Jan. 30, 1934, ch. 6, § 14(a)(4), 48 Stat. 343; restated Mar. 28, 1942, ch. 205, § 4, 56 Stat. 189.

The words “regulations of” are substituted for “rules, regulations, terms, and conditions . . . may prescribe” to eliminate unnecessary words.

§ 3112. Sinking fund for retiring and cancelling bonds and notes

(a) The Department of the Treasury has a sinking fund for retiring bonds and notes issued under this chapter. Amounts in the fund are appropriated for payment of bonds and notes at maturity or for their redemption or purchase before maturity by the Secretary of the Treasury. The fund is available until all the bonds and notes are retired.

(b) For each fiscal year, an amount is appropriated equal to—

(1) the interest that would have been payable during the fiscal year for which the appropriation is made on the bonds and notes bought,

redeemed, or paid out of the fund during that or prior years;

(2) 2.5 percent of the total amount of bonds and notes issued under the First Liberty Bond Act, the Second Liberty Bond Act, the Third Liberty Bond Act, the Fourth Liberty Bond Act, and the Victory Liberty Loan Act and outstanding on July 1, 1920, less an amount equal to the par amount of obligations of governments of foreign countries that the United States Government held on July 1, 1920; and

(3) 2.5 percent of the total amount expended after June 29, 1933, from appropriations made or authorized in sections 301 and 302 of the Emergency Relief and Construction Act of 1932.

(c) The Secretary may prescribe the price and conditions for paying, redeeming, and buying bonds and notes under this section. The average cost of bonds and notes bought under this section may not be more than par value and accrued interest. Bonds and notes bought, redeemed, or paid out of the sinking fund must be canceled and retired and may not be reissued.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 943.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3112(a)	31:767(less 2d sentence related to price, terms, and conditions, 3d, 4th sentences).	Mar. 3, 1919, ch. 100, § 6, 40 Stat. 1311; Mar. 2, 1923, ch. 179, 42 Stat. 1427; May 29, 1928, ch. 901, § 1(21), 45 Stat. 987; Jan. 30, 1934, ch. 6, § 14(b), 48 Stat. 344.
3112(b)	31:767(last sentence). 31:767b.	Mar. 3, 1933, ch. 212, § 1(last par. on p. 1492), 47 Stat. 1492; Mar. 15, 1934, ch. 70, § 1(2d complete par. on p. 428), 48 Stat. 428.
3112(c)	31:767(2d sentence related to price, terms, and conditions, 3d, 4th sentences).	

In subsection (a), the word “cumulative” is omitted as surplus. The words “under this chapter” are substituted for “under the First Liberty Bond Act, the Second Liberty Bond Act, the Third Liberty Bond Act, the Fourth Liberty Bond Act, or under this Act, and outstanding on July 1, 1920, and of bonds and notes thereafter issued, under any of such Acts or under any of such Acts as amended” to eliminate unnecessary words, reference to laws that have been executed, and to reflect consolidation of the public debt authority in the revised chapter. The words “and all additions thereto” are omitted as surplus.

Subsection (b)(1) and (2) is substituted for 31:767(last sentence) to eliminate unnecessary words.

In subsection (b)(3), the text of 31:767b(related to 31:767a) is omitted as obsolete.

In subsection (c), the word “conditions” is substituted for “terms and conditions” because it is inclusive.

Editorial Notes

REFERENCES IN TEXT

The First Liberty Bond Act, referred to in subsec. (b)(2), is act Apr. 24, 1917, ch. 4, 40 Stat. 35, which enacted sections 746, 755, 755a, 759, 764, 774, and 804 of former Title 31 and section 462a of Title 12, Banks and Banking, and amended sections 745 and 768 of former Title 31, and was repealed by Pub. L. 97-258, § 5(b), Sept. 13, 1982, 96 Stat. 1072.

The Second Liberty Bond Act, referred to in subsec. (b)(2), is act Sept. 24, 1917, ch. 56, 40 Stat. 288, which en-

acted sections 747, 752 to 754b, 757, 757b, 757c to 757e, 758, 760, 765, 766, 771, 773, and 801 and amended sections 745, 764, 769, and 774 of former Title 31, and was repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1072.

The Third Liberty Bond Act, referred to in subsec. (b)(2), is act Apr. 4, 1918, ch. 44, 40 Stat. 502, which enacted sections 765, 766, and 774 and amended sections 752, 752a, 754, and 771 of former Title 31, and was repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1072.

The Fourth Liberty Bond Act, referred to in subsec. (b)(2), is act July 9, 1918, ch. 142, 40 Stat. 844, which enacted sections 750 and 772 and amended sections 752 and 774 of former Title 31, and was repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1072.

The Victory Liberty Loan Act, referred to in subsec. (b)(2), is act Mar. 3, 1919, ch. 100, 40 Stat. 1309, which enacted sections 749, 753, 763, 767, 802, and 803 and amended sections 750, 754, and 774 of former Title 31 and section 343 of Title 15, Commerce and Trade, and was repealed by Pub. L. 97-258, §5(b), Sept. 13, 1982, 96 Stat. 1072.

Sections 301 and 302 of the Emergency Relief and Construction Act of 1932, referred to in subsec. (b)(3), are sections 301 and 302 of act July 21, 1932, ch. 520, 47 Stat. 709, which are not classified to the Code.

§ 3113. Accepting gifts

(a) To provide the people of the United States with an opportunity to make gifts to the United States Government to be used to reduce the public debt—

(1) the Secretary of the Treasury may accept for the Government a gift of—

(A) money made only on the condition that it be used to reduce the public debt;

(B) an obligation of the Government included in the public debt made only on the condition that the obligation be canceled and retired and not reissued; and

(C) other intangible personal property made only on the condition that the property is sold and the proceeds from the sale used to reduce the public debt; and

(2) the Administrator of General Services may accept for the Government a gift of tangible property made only on the condition that it be sold and the proceeds from the sale be used to reduce the public debt.

(b) The Secretary and the Administrator each may reject a gift under this section when the rejection is in the interest of the Government.

(c) The Secretary and the Administrator shall convert a gift either of them accepts under subsection (a)(1)(C) or (2) of this section to money on the best terms available. If a gift accepted under subsection (a) of this section is subject to a gift or inheritance tax, the Secretary or the Administrator may pay the tax out of the proceeds of the gift or the proceeds of the redemption or sale of the gift.

(d) The Treasury has an account into which money received as gifts and proceeds from the sale or redemption of gifts under this section shall be deposited. The Secretary shall use the money in the account to pay at maturity, or to redeem or buy before maturity, an obligation of the Government included in the public debt. An obligation of the Government that is paid, redeemed, or bought with money from the account shall be canceled and retired and may not be reissued. Money deposited in the account is appropriated and may be expended to carry out this section.

(e)(1) The Secretary shall redeem a direct obligation of the Government bearing interest or sold on a discount basis on receiving it when the obligation—

(A) is given to the Government;

(B) becomes the property of the Government under the conditions of a trust; or

(C) is payable on the death of the owner to the Government (or to an officer of the Government in the officer's official capacity).

(2) If the gift or transfer to the Government is subject to a gift or inheritance tax, the Secretary shall pay the tax out of the proceeds of redemption.

(Pub. L. 97-258, Sept. 13, 1982, 96 Stat. 943.)

HISTORICAL AND REVISION NOTES

Revised Section	Source (U.S. Code)	Source (Statutes at Large)
3113(a)	31:901(less (b)(proviso)).	June 27, 1961, Pub. L. 87-58, 75 Stat. 119.
3113(b)	31:901(b)(proviso).	
3113(c)	31:902, 903.	
3113(d)	31:904.	
3113(e)	31:757e.	Sept. 24, 1917, ch. 56, 40 Stat. 288, §24; added Apr. 3, 1945, ch. 51, §4, 59 Stat. 48.

In subsection (a), before clause (1), the words “In order” are omitted as surplus. The words “To provide” are substituted for “to afford” for clarity. The words “for the purpose” are omitted as unnecessary. In clauses (1) and (2), the word “for” is substituted for “on behalf of” for consistency. The word “realized” is omitted as surplus. In clause (2), the word “tangible” is substituted for “real or personal” to eliminate unnecessary words.

In subsections (b) and (c), the words “as the case may be” are omitted as unnecessary.

In subsection (c), the words “under applicable law” are omitted as surplus.

In subsection (d), the words “on the books of” and “special” are omitted as surplus. The words “proceeds from the sale or redemption of gifts” are substituted for “all money received as a result of the conversion into money of gifts of property other than money received” for clarity and consistency.

In subsection (e)(1), the word “Secretary” is substituted for “Treasurer of the United States” because of the source provisions restated in section 321(c) of the revised title. In clause (A), the word “given” is substituted for “is donated . . . is bequeathed by will” to eliminate unnecessary words. In clause (B), the word “conditions” is substituted for “terms” for consistency in the revised title and with other titles of the United States Code. In clause (C), the words “by its terms” are omitted as surplus.

In subsection (e)(2), the words “under applicable law” and “bequest” are omitted as surplus. The words “and shall deposit the balance in the Treasury as miscellaneous receipts or as otherwise authorized by law” are omitted as surplus because of section 3302(a) of the revised title. The text of 31:757e(last sentence) is omitted because of the restatement.

SUBCHAPTER II—ADMINISTRATIVE

§ 3121. Procedure

(a) In issuing obligations under sections 3102-3104 of this title, the Secretary of the Treasury may prescribe—

(1) whether an obligation is to be issued on an interest-bearing basis, a discount basis, or an interest-bearing and discount basis;

(2) regulations on the conditions under which the obligation will be offered for sale,