

Ante, p. 1223.
Retired judges, pay.
28 U. S. C. § 375;
Supp. IV, § 375.
Administrative au-
dit of judicial ac-
counts, etc.

Ante, p. 1223.
Provisions respect-
ing personnel, U. S.
courts.

Effective date.

Judicial Code for the current fiscal year, and all unexpended appropriations covering judicial personnel as specified in section 304 (1) of the Judicial Code, including appropriations for the salaries of justices and judges who have retired or who have resigned under the provisions of section 260 of the Judicial Code (U. S. C., title 28, sec. 375), are hereby transferred to the control of the Administrative Office of the United States Courts.

SEC. 5. All powers and duties now conferred or imposed by law upon the Department of Justice or the Attorney General, relating to the administrative audit of the accounts and vouchers referred to in section 304 of the Judicial Code, are hereby transferred to and vested in the Administrative Office of the United States Courts.

SEC. 6. All administrative powers and duties now conferred or imposed by law upon the Department of Justice or the Attorney General, respecting clerks of courts, deputy clerks of courts and clerical assistants, law clerks, secretaries, and stenographers to the judges, and librarians in charge of libraries of the courts, and such other employees of the courts not excluded by section 304 of chapter XV as hereinbefore set forth, are hereby vested in the Administrative Office of the United States Courts.

SEC. 7. This Act shall take effect ninety days after its approval.
Approved, August 7, 1939.

[CHAPTER 502]

AN ACT

August 7, 1939
[H. R. 7006]
[Public, No. 300]

To amend an Act entitled "An Act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes".

Philippine Inde-
pendence Act, amend-
ments.

48 Stat. 459,
48 U. S. C. § 1236.

Trade relations pro-
visions, Jan. 1, 1940, to
July 3, 1946.

Export taxes, im-
position by Philip-
pine Government.

Rates.

No export taxes
upon articles of desig-
nated classes.

Copra or manila
fiber not dressed, etc.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 6 of the Act of March 24, 1934, entitled "An Act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes" (48 Stat. 456), is hereby amended to read as follows:

"SEC. 6. During the period beginning January 1, 1940, and ending July 3, 1946, trade relations between the United States and the Philippines shall be as now provided by law, subject to the following exceptions:

"(a) On and after January 1, 1941, the Philippine Government shall impose and collect an export tax on every Philippine article shipped from the Philippines to the United States, except as otherwise specifically provided in this section. Said tax shall be computed in the manner hereinafter set forth in this subsection and in subsection (c) of this section. During the period January 1, 1941, through December 31, 1941, the export tax on every such article shall be 5 per centum of the United States duty; on each succeeding January 1 thereafter the export tax shall be increased progressively by an additional 5 per centum of the United States duty, except that during the period January 1, 1946, through July 3, 1946, the export tax shall remain at 25 per centum of the United States duty.

"(b) (1) No export tax described in subsection (a) of this section shall be imposed or collected upon any Philippine article of a class or kind in respect of which a quota is established by subdivision (3) of this subsection, nor upon copra or manila (abaca) fiber not dressed or manufactured in any manner.

"(2) The United States duty shall be levied, collected, and paid in the United States upon every article which is of a class or kind in respect of which a quota is established by subdivision (3) of this subsection and which is entered, or withdrawn from warehouse, for consumption after December 31, 1939, in excess of its respective quota: *Provided, however*, That nothing in this section or any subsection thereof shall be construed to exempt the quota of coconut oil therein provided for from the excise taxes provided for in section 2470 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2470).

"(3) For the purposes indicated in subdivisions (1) and (2) of this subsection, there are hereby established the following quotas of the designated Philippine articles: For the calendar year 1940, the quotas, hereafter called original quotas, shall be as follows:

"a. cigars (exclusive of cigarettes, cheroots of all kinds, and paper cigars and cigarettes including wrappers), two hundred million cigars;

"b. scrap tobacco, and stemmed and unstemmed filler tobacco described in paragraph 602 of the Tariff Act of 1930, four million five hundred thousand pounds;

"c. coconut oil, two hundred thousand long tons;

"d. buttons of pearl or shell, eight hundred and fifty thousand gross.

For each calendar year thereafter through the calendar year 1945, each of the said quotas shall be the same as the corresponding quota for the immediately preceding calendar year, less 5 per centum of the corresponding original quota.

"For the period January 1, 1946, through July 3, 1946, each of said quotas shall be one-half of the corresponding quota specified for the calendar year 1945.

"(c) The Philippine Government, in imposing and collecting export taxes on Philippine embroideries, shall compute the tax in accordance with the formulas specified in subsection (a) of this section, except that in determining the taxable value of any such article, an allowance shall be made equal to the cost—cost, insurance, and freight the Philippines—of any cloth of United States origin used in the production thereof.

"(d) The United States duty shall be levied, collected, and paid, in the United States, upon all Philippine sugars, which are entered, or withdrawn from warehouse, for consumption in any calendar year after 1939, in excess of eight hundred and fifty thousand long tons, of which not more than fifty thousand long tons may be refined sugars: *Provided, however*, That for the period January 1, 1946, through July 3, 1946, the quota of Philippine sugars, not subject to the United States duty, shall be four hundred and twenty-five thousand long tons, of which not more than twenty-five thousand long tons may be refined sugars. Any export tax imposed and collected on Philippine sugars entered or withdrawn from warehouse for consumption in excess of the quotas established by this subsection shall be refunded by the Philippine Government.

"(e) Upon the expiration of the Act of June 14, 1935 (49 Stat. 340), as extended to May 1, 1941, by proclamation of the President, dated January 26, 1938, the total amount of all Philippine cordage coming into the United States which may be entered or withdrawn from warehouse, for consumption during the remainder of the calendar year 1941, shall not exceed four million pounds and in any calendar year after 1941 shall not exceed six million pounds: *Provided, however*, That for the period January 1, 1946, through July 3, 1946, the total amount of Philippine cordage which may be entered, or withdrawn

U. S. import duties upon designated articles in excess of quotas for consumption after 1939.

Proviso.
Coconut oil, excise taxes.

Ante, p. 264.
I. R. C. § 2470.

* Establishment of quotas.

Original (1940) quota.

Cigars (exclusive of cigarettes, etc.).

Scrap, etc., tobacco.
46 Stat. 631.
19 U. S. C. § 1001.

Coconut oil.

Buttons of pearl or shell.

Progressive decreases, through calendar year 1945.

For period Jan. 1, 1946, through July 3, 1946.

Philippine embroideries.

Sugars.

Proviso.
Quota for period Jan. 1, 1946, through July 3, 1946.

Excess, entered or withdrawn from warehouse for consumption; refund.

Philippine cordage, etc.
49 Stat. 340; 52 Stat. 1534.
48 U. S. C., Supp. IV, § 1236a.

Proviso.
Quota for period Jan. 1, 1946, through July 3, 1946.

Sugar quotas, allocation annually.

48 Stat. 459.
48 U. S. C. § 1236 (d).

Allocation of quotas for cordage.

49 Stat. 340; 52 Stat. 1534.
48 U. S. C., Supp. IV, § 1236a.

Basis for determination of quotas.

Failure of holder of allotment to ship quota before end of period.

Proceeds of export taxes to constitute a supplementary sinking fund for payment of designated Philippine, etc., bonds.

Proriso.
Warehousing; re-funds from July 4, 1946.

Acceptance of proceeds of export taxes authorized.

48 Stat. 929.
48 U. S. C. § 1157.
Administration, investment, etc., of supplementary sinking fund.

from warehouse, for consumption shall not exceed three million pounds.

“(f) (1) The quotas for sugars established by subsection (d) of this section shall be allocated annually as prescribed in section 6 (d) of the Act of March 24, 1934 (48 Stat. 456), which section in this respect is not repealed by this amendatory Act.

“(2) The quotas for cordage, established by subsection (e) of this section, and by the Act of June 14, 1935, shall be allocated by authorities of the Philippine Government among the manufacturers of such commodities proportionately upon the basis of the shipment of each such manufacturer to the United States during the twelve months immediately preceding the inauguration of the Commonwealth of the Philippines.

“(3) The quotas for all articles for which quotas are established by this section, except sugars and cordage, shall in each instance be allocated by authorities of the Philippine Government among the manufacturers whose products were shipped to the United States during the calendar year 1937, on the basis of the proportion which each manufacturer's maximum production shipped to the United States, directly or through other persons, in any calendar year during the five-year period, 1933 through 1937, bears to the total of such maximum shipments of all such manufacturers.

“(4) If, after the first nine months of any quota year, the holder of any allotment under any of the quotas established by this Act or by the Act of June 14, 1935, is or will be unable for any reason to ship to the United States by the end of the quota year the total amount of his allocation for that year, the Philippine Government shall apportion that amount of such allocation which it is established by sufficient evidence cannot be shipped to the United States during the remainder of the quota year in such manner and in accordance with such rules and regulations as it may prescribe.

“(g) (1) The Philippine Government shall pay to the Secretary of the Treasury of the United States, at the end of each calendar quarter, all of the moneys received during such quarter from export taxes (less refunds), imposed and collected in accordance with the provisions of this section, and said moneys shall be deposited in an account with the Treasurer of the United States and shall constitute a supplementary sinking fund for the payment of bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of Acts of Congress: *Provided, however,* That moneys received from any export tax imposed on any article which is shipped from the Philippines to the United States prior to July 4, 1946, and which is entered, or withdrawn from warehouse for consumption, on or after July 4, 1946, shall be refunded by the independent Government of the Philippines.

“(2) The said Secretary of the Treasury is authorized to accept the deposits of the proceeds of the export taxes referred to in subdivision (1) of this subsection in accordance with the Act of June 11, 1934 (48 Stat. 929).

“(3) The Secretary of the Treasury of the United States, with the approval of the Philippine Government, is authorized to purchase with such supplementary sinking-fund bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of Acts of Congress and to invest such fund in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States. Whenever the Secretary of the Treasurer finds that such fund is in excess of an amount adequate to meet future interest and principal payments on all such bonds, he may, with the approval of the Philip-

pine Government, purchase with such excess any other bonds of the Philippines, its Provinces, cities, municipalities, and instrumentalities. For the purpose of this subsection obligations may be acquired on original issue at par, or by purchase of outstanding obligations at the market price. Any obligations acquired by the fund may, with the approval of the Philippine Government, be sold by the Secretary of the Treasury at the market price and the proceeds of such sale and the proceeds of the payment upon maturity or redemption of any obligations held in the supplementary sinking fund, as well as all moneys in any manner earned by such fund or on any obligations acquired by said fund, shall be paid into the said fund.

"(4) During the three months preceding July 4, 1946, the Philippine Government and the Secretary of the Treasury of the United States shall confer to ascertain that portion of the bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of Acts of Congress, which will remain outstanding on July 4, 1946; and the Philippine Government shall turn over to the Secretary of the Treasury of the United States for destruction all such bonds that are then held, canceled, or uncanceled, in any of the sinking funds maintained for the payment of such bonds. After such outstanding portion of this indebtedness is thus determined, and before July 4, 1946, (i) there shall be set up with the Treasurer of the United States a special trust account in the name of the Secretary of the Treasury of the United States to pay future interest and principal payments on such bonds; (ii) the Philippine Government shall pay to the Secretary of the Treasury of the United States for deposit in this special trust account all of the sinking funds maintained for the payment of such bonds; and (iii) the Secretary of the Treasury of the United States shall transfer into this special trust account all of the proceeds of the supplementary sinking fund referred to in subdivision (1) of this subsection. Any portion of such special trust account found by the Secretary of the Treasury of the United States on July 4, 1946, to be in excess of an amount adequate to meet future interest and principal payments on all such outstanding bonds shall be turned over to the Treasury of the independent Government of the Philippines to be set up as an additional sinking fund to be used for the purpose of liquidating and paying all other obligations of the Philippines, its Provinces, cities, municipalities, and instrumentalities. To the extent that such special trust account is determined by the Secretary of the Treasury of the United States to be insufficient to pay interest and principal on the outstanding bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of Acts of Congress, the Philippine Government shall, on or before July 3, 1946, pay to the Secretary of the Treasury of the United States for deposit in such special trust account an amount which said Secretary of the Treasury determines is required to assure payment of principal and interest on such bonds: *Provided, however,* That if the Secretary of the Treasury of the United States finds that this requirement would impose an undue hardship upon the Philippines, then the Philippine Government shall continue to provide annually the necessary funds for the payment of interest and principal on such bonds until such time as the Secretary of the Treasury of the United States determines that the amount in the special trust account is adequate to meet interest and principal payments on such bonds.

"(5) On and after July 4, 1946, the Secretary of the Treasury of the United States is authorized, with the approval of the independent Government of the Philippines, to purchase at the market price for the special trust account bonds of the Philippines, its Provinces,

Joint conference prior to July 4, 1946, on designated outstanding Philippine, etc., bonds.

Special trust account, establishment.

Payments by Philippine Government for deposit in trust account.

Transfer of proceeds of supplementary sinking fund.

Use of excess of such special trust account in liquidating other obligations.

Payment of deficits by Philippine Government.

Proviso. Modification of requirements.

Purchase for special trust account of bonds of the Philippines, etc., issued prior to May 1, 1934.

Investment in U. S. interest-bearing obligations, etc.

Payment from trust account of principal and interest on certain bonds.

Excess, after July 4, 1946, to be turned over to independent Government of the Philippines.

Certificate to accompany article shipped from Philippines after Jan. 1, 1941, subject to export tax.

48 Stat. 462.
48 U. S. C. § 1238.

Rights and privileges of citizens and corporations of the Philippine Islands pending final withdrawal of U. S. sovereignty.

48 Stat. 463.
48 U. S. C. § 1240.

Diplomatic or consular establishments. Exchanges of properties for.

cities, and municipalities, issued prior to May 1, 1934, under authority of Acts of Congress. The Secretary of the Treasury of the United States is also authorized, with the approval of the independent Government of the Philippines, to invest all or any part of such special trust account in any interest-bearing obligations of the United States or in any obligations guaranteed as to both principal and interest by the United States. Such obligations may be acquired on original issue at par or by purchase of outstanding obligations at the market price, and any obligations acquired by the special trust account may, with the approval of the independent Government of the Philippines, be sold by the Secretary of the Treasury at the market price, and the proceeds of the payment upon maturity or redemption of such obligations shall be held as a part of such special trust account. Whenever the special trust account is determined by the Secretary of the Treasury of the United States to be adequate to meet interest and principal payments on all outstanding bonds of the Philippines, its Provinces, cities, and municipalities, issued prior to May 1, 1934, under authority of Acts of Congress, the Secretary of the Treasury is authorized to pay from such trust account the principal of such outstanding bonds and to pay all interest due and owing on such bonds. All such bonds and interest coupons paid or purchased by the special trust account shall be canceled and destroyed by the Secretary of the Treasury of the United States. From time to time after July 4, 1946, any moneys in such special trust account found by the Secretary of the Treasury of the United States to be in excess of an amount adequate to meet interest and principal payments on all such bonds shall be turned over to the treasurer of the independent Government of the Philippines.

“(h) No article shipped from the Philippines to the United States on or after January 1, 1941, subject to an export tax provided for in this section, shall be admitted to entry in the United States until the importer of such article shall present to the United States collector of customs a certificate, signed by a competent authority of the Philippine Government, setting forth the value and quantity of the article and the rate and amount of the export tax paid, or shall give a bond for the production of such certificate within six months from the date of entry.”

SEC. 2. Section 8 of the said Act of March 24, 1934, is hereby amended by adding thereto a new subsection as follows:

“(d) Pending the final and complete withdrawal of the sovereignty of the United States over the Philippine Islands, except as otherwise provided by this Act, citizens and corporations of the Philippine Islands shall enjoy in the United States and all places subject to its jurisdiction all of the rights and privileges which they respectively shall have enjoyed therein under the laws of the United States in force at the time of the inauguration of the Government of the Commonwealth of the Philippine Islands.”

SEC. 3. Section 10 of the said Act of March 24, 1934, is hereby amended by adding the following subsection thereto:

“(c) (1) Whenever the President of the United States shall find that any properties in the Philippines, owned by the Philippine Government or by private persons, would be suitable for diplomatic or consular establishments of the United States after the inauguration of the independent Government, he may, with the approval of the Philippine Government, and in exchange for the conveyance of title to the United States, transfer to the said Government or private persons any properties of the United States in the Philippines. Title to any properties so transferred to private persons, and title to any properties so acquired by the United States, shall be vested in fee

simple in such persons and the United States, respectively, notwithstanding the provisions contained in subsection (a) of this section.

"(2) Whenever, prior to July 4, 1946, the President of the United States shall find that any properties of the United States in the Philippines would be suitable for diplomatic and consular establishments of the United States after the inauguration of the independent Government, he shall designate the same by the issuance of a proclamation or proclamations, and title to any properties so designated shall continue to be vested in fee simple in the United States notwithstanding the provisions contained in subsection (a) of this section.

Designation of suitable properties, prior to July 4, 1946, by Presidential proclamation.

"(3) Title to the lands and buildings pertaining to the official residences of the United States High Commissioner to the Philippine Islands in the cities of Manila and Baguio, together with all fixtures and movable objects, shall continue to be vested in the United States after July 4, 1946, notwithstanding the provisions contained in subsection (a) of this section.

Official residences of U. S. High Commissioner to Philippine Islands.

"(4) Administrative supervision and control over any properties acquired or designated by the President of the United States pursuant to this subsection, and over the official residences in the Philippines of the High Commissioner, shall, on and after July 4, 1946, be exercised by the Secretary of State, in accordance with Acts of Congress relating to property held by the United States in foreign countries for official establishments."

Exercise of administrative supervision by Secretary of State, after July 4, 1946, over certain properties.

SEC. 4. Section 13 of the said Act of March 24, 1934, is hereby amended by striking out the proviso and inserting in lieu thereof the following: "Provided, That at least two years prior to the date fixed in this Act for the independence of the Philippine Islands, there shall be held a conference of representatives of the Government of the United States and the Government of the Commonwealth of the Philippine Islands, such representatives, on the part of the United States, to consist of three United States Senators appointed by the President of the Senate, three Members of the House of Representatives appointed by the Speaker of the House, and three persons appointed by the President of the United States, and, on the part of the Philippines, to consist of nine representatives to be appointed by the President of the Commonwealth of the Philippines, with the consent of the Commission on Appointments of the National Assembly, for the purpose of formulating recommendations as to future trade relations between the United States and the independent Philippine Republic, the time, place, and manner of holding such conference to be determined by the President of the United States; but nothing in this proviso shall be construed to modify or affect in any way any provision of this Act relating to the procedure leading up to Philippine independence or the date upon which the Philippine Islands shall become independent.

Tariff duties after independence.
48 Stat. 464.
48 U. S. C. § 1243.
Conference on future trade relations.

Representatives on part of U. S.

Representatives on part of Philippines.

Recommendations to be formulated.

"In the event any vacancy occurs in the Commission by reason of the death, resignation, or retirement of any member thereof, such vacancy may be filled by the authority appointing the member whose death, resignation, or retirement caused the vacancy."

Filling of vacancies in Commission.

SEC. 5. The said Act of March 24, 1934, is further amended by the addition of the following new section:

"Sec. 18. (a) As used in sections 6 and 10 of this Act—

Ante, pp. 1226, 1230.

"(1) The term 'United States', when used in a geographical sense, but not the term 'continental United States', includes all Territories and possessions of the United States, other than the Philippines.

Definitions.
"United States."

"(2) The term 'cordage' includes yarns, twines (including binding twine described in paragraph 1622 of the Tariff Act of 1930 (46 Stat. 675)), cords, cordage, rope and cable, tarred or untarred, wholly or in chief value of manila (abaca) or other hard fiber.

"Cordage."
46 Stat. 675.
19 U. S. C. § 1201.

"Philippine Government."

"United States duty."

"Refined sugars."
50 Stat. 903.
7 U. S. C., Supp. IV,
§ 1101.

"Philippine article."

"American article."

"Philippine import duty."

Terms construed.
"Includes", "including."

"Ordinary customs duty."

Excise taxes.
Ante, p. 264.
I. R. C. § 2470.
Import taxes.
Ante, p. 267.
I. R. C. §§ 2490,
2491.
Proceeds from, together with funds hereafter appropriated; usage.
50 Stat. 915.
7 U. S. C., Supp. IV,
§ 1173.

"(3) The term 'Philippine Government' means the Government of the Commonwealth of the Philippines.

"(4) The term 'United States duty', when used in connection with the computation of export taxes, means the lowest rate of ordinary customs duty in effect at the time of the shipment of the article concerned from the Philippines and applicable to like articles imported into the continental United States from any foreign country, except Cuba, or when more than one rate of ordinary customs duty is applicable to such like articles, the aggregate of such rates.

"(5) The term 'refined sugars' possesses the same meaning as the term 'direct-consumption sugar' as defined in section 101 of the Sugar Act of 1937.

"(6) The term 'Philippine article' means an article the growth, produce, or manufacture of the Philippines, in the production of which no materials of other than Philippine or United States origin valued in excess of 20 per centum of the total value of such article was used and which is brought into the United States from the Philippines.

"(7) The term 'American article' means an article the growth, produce, or manufacture of the United States, in the production of which no materials of other than Philippine or United States origin valued in excess of 20 per centum of the total value of such article was used and which is brought into the Philippines from the United States.

"(8) The term 'Philippine import duty' means the lowest rate of ordinary customs duty applicable at the port of arrival, at the time of entry, or withdrawal from warehouse, for consumption of the article concerned, to like articles imported into the Philippines from any other foreign country, or when more than one rate of ordinary customs duty is applicable to such like articles, the aggregate of such rates.

"(b) As used in subsection (a) of this section:

"(1) The terms 'includes' and 'including' shall not be deemed to exclude other things otherwise within the meaning of the term defined.

"(2) The term 'ordinary customs duty' shall not include any import duty or charge which is imposed to compensate for an internal tax imposed in respect of a like domestic product or in respect of a commodity from which the imported product has been manufactured or produced in whole or in part."

SEC. 6. The said Act of March 24, 1934, is further amended by the addition of the following new section:

"SEC. 19. (a) The proceeds of the excise taxes imposed by section 2470 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2470), and of the import taxes imposed by sections 2490 and 2491 of the Internal Revenue Code (I. R. C., ch. 22, secs. 2490, 2491), collected on or after January 1, 1939, and accrued prior to July 4, 1946, and required to be held in separate or special funds and paid into the Treasury of the Philippines, together with any moneys hereafter appropriated in accordance with the authorization contained in section 503 of the Sugar Act of 1937 (50 Stat. 915) by virtue of accruals of excise and import taxes prior to July 4, 1946, shall be held as separate funds and paid into the treasury of the Philippines to be used for the purpose of meeting new or additional expenditures which will be necessary in adjusting Philippine economy to a position independent of trade preferences in the United States and in preparing the Philippines for the assumption of the responsibilities of an independent

state: *Provided, however*, That the portion of such funds expended by the Government of the Commonwealth of the Philippines shall be budgeted, appropriated, and accounted for separately from other moneys of that Government.

"(b) If the President of the United States finds that the Government of the Commonwealth of the Philippines has failed or is about to fail to comply with any requirement of subsections (a) and (c) of this section, he shall direct the Secretary of the Treasury of the United States to withhold or discontinue, during any period or periods of time specified by the President of the United States further payments in whole or in part.

"(c) The provisions contained in section 2476 of the Internal Revenue Code (I. R. C., ch. 21, sec. 2476), prohibiting further payments in the event that the Government of the Commonwealth of the Philippines should provide by law for the subsidization of producers of copra, coconut oil, or allied products, and the provisions contained in the Sugar Act of 1937, specifying the purpose for which such appropriations could be used by the said government and the manner and condition of transfer, shall not apply to any moneys collected or appropriated pursuant to said Acts on or after January 1, 1939, and to this extent are hereby repealed: *Provided, however*, That the restriction contained in the proviso to section 503 of the Sugar Act of 1937 shall continue in full force and effect: *And provided further*, That no part of the proceeds of the excise taxes herein referred to shall be paid directly or indirectly as a subsidy to the producers or processors of copra, coconut oil or allied products, except that this provision shall not be construed as prohibiting the use of a portion of said funds for facilities for better curing of copra, or for bona fide production loans to Philippine copra producers.

"(d) Nothing contained herein shall be construed as obligating the United States to continue for any period of time any or all of the excise and import taxes imposed by sections 2470, 2490, 2491 of the Internal Revenue Code or by sections 3490, 3500, 3501 of the Internal Revenue Code (I. R. C., ch. 32, secs. 3490, 3500, 3501).

"(e) Notwithstanding the provisions of section 4 of the Act of March 8, 1902 (32 Stat. 54), or of any other provision of law, on or after the first day of the second month following the passage of this amendatory Act, except as otherwise provided in this section, all customs duties collected in accordance with sections 6 and 13 of this Act, on any article the growth, produce, or manufacture of the Philippines, in the production of which no materials of other than Philippine or United States origin valued in excess of 20 per centum of the total value of such article, was used and which is brought into the United States from the Philippines, and all customs duties collected on any other article brought into the United States from the Philippines, shall be covered into the general fund of the Treasury of the United States and shall not be paid into the Treasury of the Philippines."

SEC. 7. (a) Sections 1 to 5, inclusive, of this amendatory Act shall become effective on January 1, 1940, if before that date—

(1) Subsection 5 of section 1 of the Ordinance Appended to the Constitution of the Philippines shall have been amended in the manner now provided by law, by changing the final period of said subsection to a comma, and by adding thereto the words: "as amended by the Act of Congress of the United States approved (followed by the date of the approval of this amendatory Act)", and section 3 of the said ordinance shall have been amended by inserting immediately after the words "approved March 24, 1934" the same amendatory language mentioned above.

Proviso.
Accounting.

Withholding of payments for not complying with prescribed requirements.

Certain restrictions not to apply to collections on or after Jan. 1, 1939.

Ante, p. 265.
I. R. C. § 2476.

50 Stat. 903, 915.
7 U. S. C., Supp. IV, §§ 1100-1183.

Provisos.
Restriction on sugarcane production or processing payments.
50 Stat. 915.
Subsidies to producers of copra, etc., restricted.
Exceptions.

Continuance of certain excise and import taxes not to be construed.

Ante, pp. 264, 267, 426, 428.
I. R. C. §§ 2470, 2490, 2491, 3490, 3500, 3501.

32 Stat. 54.
19 U. S. C. § 123a.
Customs duties on certain Philippine articles to be covered into general fund of United States Treasury.
Ante, pp. 1226, 1231.

Time when sections 1-5 become effective.

Ordinance Appended to Constitution of the Philippines, amendments.

Proclamation of law relating to export taxes.

Retention of laws relating to sinking fund and currency.

Effective date and duration of section 1; condition.

Status of trade relations if section 1 ineffective.

48 Stat. 459, 464.
48 U. S. C. §§ 1236, 1243.
Ante, p. 1231.

Effective date of sections 6 and 7.

48 Stat. 462.
48 U. S. C. § 1238.
Assignment of Foreign Service officers to the Philippines.

Assistance to U. S. High Commissioner.

48 Stat. 457.
48 U. S. C. § 1232.

Effective date of section.

(2) The President of the United States shall have found and proclaimed that the Philippine Government has enacted, subsequent to the adoption of the amendments to the Constitution of the Philippines (as provided in subdivision (1) of this subsection), a law relating to export taxes (as provided in section 1), and has retained those Philippine laws relating to sinking-fund and currency matters which were in effect on May 20, 1938.

(b) Section 1 of this amendatory Act shall remain in full force and effect from the effective date thereof until July 4, 1946, unless the President of the United States shall, prior to July 4, 1946, have found and proclaimed that the Philippine Government has, in any substantial respect, repealed or amended, or failed or refused to enforce or administer any Philippine law referred to in subdivision (2) of subsection (a) of this section. In the event of such a finding and proclamation, section 1 shall immediately become ineffective and trade relations between the United States and the Philippines shall be as provided by section 6 of the Act of March 24, 1934, prior to the enactment of this amendatory Act and by section 13 of the said Act.

(c) Sections 6 and 7 of this amendatory Act shall become effective upon its enactment.

SEC. 8. Notwithstanding the provisions contained in section 8 (a) (3) of the Act of March 24, 1934 (48 Stat. 456), entitled "An Act to provide for the complete independence of the Philippine Islands, to provide for the adoption of a constitution and a form of government for the Philippine Islands, and for other purposes", Foreign Service officers may, under commissions as diplomatic and consular officers, be assigned to the Philippine Islands, during which assignments such officers shall be considered as stationed in a foreign country, for such periods of time and under such regulations as the Secretary of State may prescribe for the performance of any of the duties customarily performed by Foreign Service officers stationed in foreign countries and of additional duties in connection with advising and assisting the United States High Commissioner to the Philippine Islands in the supervision and control of the foreign affairs of the Commonwealth of the Philippines in accordance with section 2 (a) (10) of the Act approved March 24, 1934, and section 1 (10) of the ordinance appended to the constitution of the Philippines adopted February 8, 1935.

This section shall become effective upon its enactment.

Approved, August 7, 1939.

[CHAPTER 503]

AN ACT

Granting the consent of Congress to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a toll bridge across the Connecticut River at or near Hartford, Connecticut.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the consent of Congress is hereby granted to the State of Connecticut, acting by and through any agency or commission thereof, to construct, maintain, and operate a bridge and approaches thereto across the Connecticut River, at a point suitable to the interests of navigation, at or near Hartford, in accordance with the provisions of the Act entitled "An Act to regulate the construction of bridges over navigable waters", approved March 23, 1906, and subject to the conditions and limitations contained in this Act.

August 7, 1939
[H. R. 6353]
[Public, No. 301]

Connecticut River.
Bridge authorized
across, at Hartford,
Conn.

34 Stat. 84.
33 U. S. C. §§ 491-
498.