

[CHAPTER 449]

AN ACT

November 6, 1945
[H. R. 3870]
[Public Law 212]

To name the dam at the Upper Narrows site on the Yuba River, in the State of California, the "Harry L. Englebright Dam".

"Harry L. Englebright Dam," Calif.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the dam constructed under the supervision of the Chief of Engineers, United States Army, at the Upper Narrows site on the Yuba River, in the State of California, and known as the "Englebright Dam", shall hereafter be known and designated as the "Harry L. Englebright Dam". Any law, regulation, document, or record of the United States in which such dam is designated or referred to under the name of "Englebright Dam" shall be held to refer to such dam under and by the name of "Harry L. Englebright Dam".

Approved November 6, 1945.

[CHAPTER 451]

AN ACT

November 7, 1945
[H. R. 4083]
[Public Law 213]

Authorizing the improvement of certain harbors in the interest of commerce and navigation.

Certain harbor improvements.

Ante, p. 12.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following works of improvement for navigation are hereby adopted and authorized, to be prosecuted under the direction of the Secretary of War and supervision of the Chief of Engineers, in accordance with the plans recommended in the reports hereinafter designated and subject to the conditions set forth in said documents, and also subject to the proviso in section 2 of the River and Harbor Act approved March 2, 1945, relating to the time when appropriations shall be made for the prosecution of the projects adopted in said Act:

Savannah Harbor, Georgia, in accordance with the report submitted in House Document Numbered 227, Seventy-ninth Congress, first session;

Two Harbors (Agate Bay Harbor), Minnesota, in accordance with the report submitted in House Document Numbered 805, Seventy-eighth Congress, second session.

Approved November 7, 1945.

[CHAPTER 453]

AN ACT

November 8, 1945
[H. R. 4309]
[Public Law 214]

To reduce taxation, and for other purposes.

Revenue Act of 1945.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) **SHORT TITLE.**—This Act may be cited as the "Revenue Act of 1945".

(b) **ACT AMENDATORY OF INTERNAL REVENUE CODE.**—Except as otherwise expressly provided, wherever in this Act an amendment or repeal is expressed in terms of an amendment to or repeal of a chapter, subchapter, title, supplement, section, subsection, subdivision, paragraph, subparagraph, or clause, the reference shall be considered to be made to a provision of the Internal Revenue Code.

(c) **MEANING OF TERMS USED.**—Except as otherwise expressly provided, terms used in this Act shall have the same meaning as when used in the Internal Revenue Code.

53 Stat., Pt. 1.
26 U. S. C.; 26 U. S. C., Supp. IV.

TITLE I—INCOME AND EXCESS PROFITS TAX

Part I—Individual Income Taxes

SEC. 101. REDUCTION IN NORMAL TAX AND SURTAX ON INDIVIDUALS.

(a) REDUCTION IN NORMAL TAX ON INDIVIDUALS.—Section 11 (relating to the normal tax on individuals) is amended to read as follows: 53 Stat. 5.
26 U. S. C., Supp.
IV, § 11.

“SEC. 11. NORMAL TAX ON INDIVIDUALS.

“There shall be levied, collected, and paid for each taxable year upon the net income of every individual a normal tax determined by computing a tentative normal tax of 3 per centum of the amount of the net income in excess of the credits against net income provided in section 25, and by reducing such tentative normal tax by 5 per centum thereof. For alternative tax which may be elected if adjusted gross income is less than \$5,000, see Supplement T.”

(b) REDUCTION IN SURTAX ON INDIVIDUALS.—Section 12 (b) (relating to the rate of surtax on individuals) is amended to read as follows:

“(b) RATES OF SURTAX.—There shall be levied, collected, and paid for each taxable year upon the surtax net income of every individual a surtax determined by computing a tentative surtax under the following table, and by reducing such tentative surtax by 5 per centum thereof:

53 Stat. 17.
26 U. S. C. § 25;
Supp. IV, § 25.
Post, p. 558.
55 Stat. 689.
26 U. S. C., Supp.
IV, §§ 400-404.
Post, pp. 559, 560.
53 Stat. 5.
26 U. S. C., Supp.
IV, § 12 (b).

“If the surtax net income is:

The tentative surtax shall be:

Not over \$2,000-----	17% of the surtax net income.
Over \$2,000 but not over \$4,000-----	\$340, plus 19% of excess over \$2,000.
Over \$4,000 but not over \$6,000-----	\$720, plus 23% of excess over \$4,000.
Over \$6,000 but not over \$8,000-----	\$1,180, plus 27% of excess over \$6,000.
Over \$8,000 but not over \$10,000-----	\$1,720, plus 31% of excess over \$8,000.
Over \$10,000 but not over \$12,000-----	\$2,340, plus 35% of excess over \$10,000.
Over \$12,000 but not over \$14,000-----	\$3,040, plus 40% of excess over \$12,000.
Over \$14,000 but not over \$16,000-----	\$3,840, plus 44% of excess over \$14,000.
Over \$16,000 but not over \$18,000-----	\$4,720, plus 47% of excess over \$16,000.
Over \$18,000 but not over \$20,000-----	\$5,660, plus 50% of excess over \$18,000.
Over \$20,000 but not over \$22,000-----	\$6,660, plus 53% of excess over \$20,000.
Over \$22,000 but not over \$26,000-----	\$7,720, plus 56% of excess over \$22,000.
Over \$26,000 but not over \$32,000-----	\$9,960, plus 59% of excess over \$26,000.
Over \$32,000 but not over \$38,000-----	\$13,500, plus 62% of excess over \$32,000.
Over \$38,000 but not over \$44,000-----	\$17,220, plus 66% of excess over \$38,000.
Over \$44,000 but not over \$50,000-----	\$21,180, plus 69% of excess over \$44,000.

"If the surtax net income is:	The tentative surtax shall be:
Over \$50,000 but not over \$60,000----	\$25,320, plus 72% of excess over \$50,000.
Over \$60,000 but not over \$70,000----	\$32,520, plus 75% of excess over \$60,000.
Over \$70,000 but not over \$80,000----	\$40,020, plus 78% of excess over \$70,000.
Over \$80,000 but not over \$90,000----	\$47,820, plus 81% of excess over \$80,000.
Over \$90,000 but not over \$100,000---	\$55,920, plus 84% of excess over \$90,000.
Over \$100,000 but not over \$150,000--	\$64,320, plus 86% of excess over \$100,000.
Over \$150,000 but not over \$200,000--	\$107,320, plus 87% of excess over \$150,000.
Over \$200,000-----	\$150,820, plus 88% of excess over \$200,000."

58 Stat. 232.
26 U. S. C., Supp.
IV, § 12 (g).

(c) **LIMITATION ON TAX.**—Section 12 (g) (relating to the 90 per centum limitation) is amended by striking out "90 per centum" and inserting in lieu thereof "85½ per centum".

(d) **TAXABLE YEARS TO WHICH APPLICABLE.**—The amendments made by this section shall be applicable to taxable years beginning after December 31, 1945. For treatment of taxable years beginning in 1945 and ending in 1946, see section 131.

Post, p. 570.

SEC. 102. ALLOWANCE OF SAME EXEMPTIONS FOR NORMAL TAX AS FOR SURTAX.

53 Stat. 18.
26 U. S. C. § 25 (b);
Supp. IV, § 25 (b).

(a) **IN GENERAL.**—So much of section 25 (b) (relating to credits for surtax) as precedes paragraph (2) thereof is amended to read as follows:

"(b) **CREDITS FOR BOTH NORMAL TAX AND SURTAX.**—

"(1) **CREDITS.**—There shall be allowed for the purposes of both the normal tax and the surtax, the following credits against net income:

"(A) An exemption of \$500 for the taxpayer;

"(B) An exemption of \$500 for the spouse of the taxpayer if—

53 Stat. 27.
26 U. S. C. § 51;
Supp. IV, § 51.

"(i) a joint return is made by the taxpayer and his spouse under section 51, in which case the aggregate exemption of the spouses under subparagraph (A) and this subparagraph shall be \$1,000, or

"(ii) a separate return is made by the taxpayer, and his spouse has no gross income for the calendar year in which the taxable year of the taxpayer begins and is not the dependent of another taxpayer;

"(C) An exemption of \$500 for each dependent whose gross income for the calendar year in which the taxable year of the taxpayer begins is less than \$500, except that the exemption shall not be allowed in respect of a dependent who has made a joint return with his spouse under section 51 for the taxable year beginning in such calendar year."

(b) **TECHNICAL AMENDMENTS.**—

56 Stat. 825.
26 U. S. C., Supp.
IV, § 23 (x).

(1) Section 23 (x) (relating to the deduction for medical expenses) is amended by striking out "surtax" wherever appearing therein.

53 Stat. 18.
26 U. S. C., Supp.
IV, § 25 (a) (3).

(2) Section 25 (a) (3) (relating to the normal tax exemption) is repealed.

(3) Section 47 (e) (relating to the reduction of certain credits against net income) is amended to read as follows:

53 Stat. 26.
26 U. S. C., Supp.
IV, § 47 (e).

“(e) REDUCTION OF CREDITS AGAINST NET INCOME.—In the case of a return made for a fractional part of a year under section 146 (a) (1), the exemptions provided in section 25 (b) shall be reduced to amounts which bear the same ratio to the full exemptions so provided as the number of months in the period for which return is made bears to twelve months.”

53 Stat. 63.
26 U. S. C. § 146 (a)
(1).
Ante, p. 558.

(4) Section 58 (a) (1) (relating to the requirement of a declaration of estimated tax) is amended by striking out “surtax”.

57 Stat. 141.
26 U. S. C., Supp.
IV, § 58 (a) (1).

(5) Section 143 (a) (2) (relating to credits against net income in the case of interest on tax-free covenant bonds) is amended by striking out “normal tax exemption provided in section 25 (a) (3) and the surtax”.

58 Stat. 239.
26 U. S. C., Supp.
IV, § 143 (a) (2).
Ante, p. 558.

(6) Section 163 (a) (1) (relating to credits of estates and trusts against net income) is amended to read as follows:

53 Stat. 67.
26 U. S. C., Supp.
IV, § 163 (a) (1).

“(1) For the purpose of the normal tax and the surtax, an estate shall be allowed, in lieu of the exemptions under section 25 (b) (1), a credit of \$500 against net income, and a trust shall be allowed, in lieu of the exemptions under section 25 (b) (1), a credit of \$100 against net income.”

Ante, p. 558.

(7) Section 214 (relating to credits of nonresident aliens against net income) is amended to read as follows:

53 Stat. 77.
26 U. S. C., Supp.
IV, § 214.

“SEC. 214. CREDITS AGAINST NET INCOME.

“In the case of a nonresident alien individual who is not a resident of a contiguous country, only one exemption under section 25 (b) shall be allowed.”

Nonresident aliens.
Ante, p. 558.

(8) Section 215 (b) (relating to credits of nonresident aliens against net income in case of tax withheld at source) is amended by striking out the words “normal tax exemption and the surtax exemptions” and by inserting in lieu thereof “the exemptions under section 25 (b)”.

53 Stat. 77.
26 U. S. C., Supp.
IV, § 215 (b).

Ante, p. 558.

(9) Section 251 (f) (relating to credits against net income in the case of citizens entitled to the benefits of section 251) is amended to read as follows:

53 Stat. 80.
26 U. S. C., Supp.
IV, § 251 (f).

“(f) CREDITS AGAINST NET INCOME.—A citizen of the United States entitled to the benefits of this section shall be allowed only one exemption under section 25 (b).”

Ante, p. 558.

(10) Section 401 (defining “surtax exemption” for the purposes of Supplement T) is amended to read as follows:

55 Stat. 691.
26 U. S. C., Supp.
IV, § 401.

“SEC. 401. DEFINITION OF ‘EXEMPTION’.

“As used in the table in section 400, the term ‘number of exemptions’ means the number of the exemptions allowed under section 25 (b) as credits against net income for the purpose of the normal tax and the surtax imposed by sections 11 and 12.”

55 Stat. 689.
26 U. S. C., Supp.
IV, § 400.

Post, p. 560.

Ante, p. 558.

(c) TAXABLE YEARS TO WHICH APPLICABLE.—The amendments and repeals made by this section shall be applicable with respect to taxable years beginning after December 31, 1945. For treatment of taxable years beginning in 1945 and ending in 1946, see section 131.

53 Stat. 5.
26 U. S. C., Supp.
IV, §§ 11, 12.
Ante, pp. 557, 558.

Post, p. 570.

SEC. 103. INDIVIDUALS WITH ADJUSTED GROSS INCOMES OF LESS THAN \$5,000.

55 Stat. 689; 58 Stat. 233.
26 U. S. C., Supp. IV, § 400.

(a) IN GENERAL.—The tax table (including the note at the foot of such table) in section 400 (relating to optional tax on individuals with adjusted gross incomes of less than \$5,000) is amended to read as follows:

If the ad-justed gross income is—		And the number of exemptions is—				If the ad-justed gross income is—		And the number of exemptions is—									
At least	But less than	1	2	3	4 or more	At least	But less than	1	2	3	4	5	6	7	8	9 or more	
The tax shall be—						The tax shall be—						The tax shall be—					
\$0	\$550	\$0	\$0	\$0	\$0	\$2,200	\$2,225	\$283	\$188	\$93	\$0	\$0	\$0	\$0	\$0	\$0	
550	575	1	0	0	0	2,225	2,250	288	193	98	3	0	0	0	0	0	
575	600	5	0	0	0	2,250	2,275	292	197	102	7	0	0	0	0	0	
600	625	10	0	0	0	2,275	2,300	296	201	106	11	0	0	0	0	0	
625	650	14	0	0	0	2,300	2,325	300	205	110	15	0	0	0	0	0	
650	675	18	0	0	0	2,325	2,350	305	210	115	20	0	0	0	0	0	
675	700	22	0	0	0	2,350	2,375	309	214	119	24	0	0	0	0	0	
700	725	27	0	0	0	2,375	2,400	313	218	123	28	0	0	0	0	0	
725	750	31	0	0	0	2,400	2,425	318	223	128	33	0	0	0	0	0	
750	775	35	0	0	0	2,425	2,450	322	227	132	37	0	0	0	0	0	
775	800	40	0	0	0	2,450	2,475	326	231	136	41	0	0	0	0	0	
800	825	44	0	0	0	2,475	2,500	330	235	140	45	0	0	0	0	0	
825	850	48	0	0	0	2,500	2,525	335	240	145	50	0	0	0	0	0	
850	875	52	0	0	0	2,525	2,550	339	244	149	54	0	0	0	0	0	
875	900	57	0	0	0	2,550	2,575	343	248	153	58	0	0	0	0	0	
900	925	61	0	0	0	2,575	2,600	347	252	157	62	0	0	0	0	0	
925	950	65	0	0	0	2,600	2,625	352	257	162	67	0	0	0	0	0	
950	975	70	0	0	0	2,625	2,650	356	261	166	71	0	0	0	0	0	
975	1,000	74	0	0	0	2,650	2,675	360	265	170	75	0	0	0	0	0	
1,000	1,025	78	0	0	0	2,675	2,700	365	270	175	80	0	0	0	0	0	
1,025	1,050	82	0	0	0	2,700	2,725	369	274	179	84	0	0	0	0	0	
1,050	1,075	87	0	0	0	2,725	2,750	373	278	183	88	0	0	0	0	0	
1,075	1,100	91	0	0	0	2,750	2,775	377	282	187	92	0	0	0	0	0	
1,100	1,125	95	0	0	0	2,775	2,800	382	287	192	97	2	0	0	0	0	
1,125	1,150	100	5	0	0	2,800	2,825	387	291	196	101	6	0	0	0	0	
1,150	1,175	104	9	0	0	2,825	2,850	391	295	200	105	10	0	0	0	0	
1,175	1,200	108	13	0	0	2,850	2,875	396	299	204	109	14	0	0	0	0	
1,200	1,225	112	17	0	0	2,875	2,900	401	304	209	114	19	0	0	0	0	
1,225	1,250	117	22	0	0	2,900	2,925	405	308	213	118	23	0	0	0	0	
1,250	1,275	121	26	0	0	2,925	2,950	410	312	217	122	27	0	0	0	0	
1,275	1,300	125	30	0	0	2,950	2,975	415	317	222	127	32	0	0	0	0	
1,300	1,325	129	34	0	0	2,975	3,000	419	321	226	131	36	0	0	0	0	
1,325	1,350	134	39	0	0	3,000	3,050	427	327	232	137	42	0	0	0	0	
1,350	1,375	138	43	0	0	3,050	3,100	436	336	241	146	51	0	0	0	0	
1,375	1,400	142	47	0	0	3,100	3,150	445	344	249	154	59	0	0	0	0	
1,400	1,425	147	52	0	0	3,150	3,200	455	353	258	163	68	0	0	0	0	
1,425	1,450	151	56	0	0	3,200	3,250	464	361	266	171	76	0	0	0	0	
1,450	1,475	155	60	0	0	3,250	3,300	474	370	275	180	85	0	0	0	0	
1,475	1,500	159	64	0	0	3,300	3,350	483	379	284	189	94	0	0	0	0	
1,500	1,525	164	69	0	0	3,350	3,400	492	388	292	197	102	7	0	0	0	
1,525	1,550	168	73	0	0	3,400	3,450	502	397	301	206	111	16	0	0	0	
1,550	1,575	172	77	0	0	3,450	3,500	511	407	309	214	119	24	0	0	0	
1,575	1,600	176	81	0	0	3,500	3,550	521	416	318	223	128	33	0	0	0	
1,600	1,625	181	86	0	0	3,550	3,600	530	425	326	231	136	41	0	0	0	
1,625	1,650	185	90	0	0	3,600	3,650	539	435	335	240	145	50	0	0	0	
1,650	1,675	189	94	0	0	3,650	3,700	549	444	343	248	153	58	0	0	0	
1,675	1,700	194	99	4	0	3,700	3,750	558	454	352	257	162	67	0	0	0	
1,700	1,725	198	103	8	0	3,750	3,800	568	463	361	266	171	76	0	0	0	
1,725	1,750	202	107	12	0	3,800	3,850	577	472	369	274	179	84	0	0	0	
1,750	1,775	206	111	16	0	3,850	3,900	586	482	378	283	188	93	0	0	0	
1,775	1,800	211	116	21	0	3,900	3,950	596	491	387	291	196	101	5	0	0	
1,800	1,825	215	120	25	0	3,950	4,000	605	501	396	300	205	110	15	0	0	
1,825	1,850	219	124	29	0	4,000	4,050	615	510	406	308	213	118	23	0	0	
1,850	1,875	223	128	33	0	4,050	4,100	624	520	415	317	222	127	32	0	0	
1,875	1,900	228	133	38	0	4,100	4,150	633	529	424	325	230	135	40	0	0	
1,900	1,925	232	137	42	0	4,150	4,200	643	538	434	334	239	144	49	0	0	
1,925	1,950	236	141	46	0	4,200	4,250	652	548	443	342	247	152	57	0	0	
1,950	1,975	241	146	51	0	4,250	4,300	662	557	453	351	256	161	66	0	0	
1,975	2,000	245	150	55	0	4,300	4,350	671	567	462	360	265	170	75	0	0	
2,000	2,025	249	154	59	0	4,350	4,400	680	576	471	368	273	178	83	0	0	
2,025	2,050	253	158	63	0	4,400	4,450	690	585	481	377	282	187	92	0	0	
2,050	2,075	258	163	68	0	4,450	4,500	699	595	490	386	290	195	100	5	0	
2,075	2,100	262	167	72	0	4,500	4,550	709	604	500	395	299	204	109	14	0	
2,100	2,125	266	171	76	0	4,550	4,600	718	614	509	405	307	212	117	22	0	
2,125	2,150	271	176	81	0	4,600	4,650	727	623	518	414	316	221	126	31	0	
2,150	2,175	275	180	85	0	4,650	4,700	737	632	528	423	324	229	134	39	0	
2,175	2,200	279	184	89	0	4,700	4,750	746	642	537	433	333	238	143	48	0	
						4,750	4,800	756	651	547	442	342	247	152	57	0	
						4,800	4,850	765	661	556	452	350	255	160	65	0	
						4,850	4,900	774	670	565	461	359	264	169	74	0	
						4,900	4,950	784	679	575	470	367	272	177	82	0	
						4,950	5,000	793	689	584	480	376	281	186	91	0	

(b) **TAXABLE YEARS TO WHICH APPLICABLE.**—The amendment made by this section shall be applicable with respect to taxable years beginning after December 31, 1945. For treatment of taxable years beginning in 1945 and ending in 1946, see section 131.

Post, p. 570.

SEC. 104. REDUCTION IN WITHHOLDING OF TAX AT SOURCE ON WAGES.

(a) PERCENTAGE METHOD.—

(1) **IN GENERAL.**—Section 1622 (a) (relating to the percentage method of withholding) is amended by striking out paragraph (1) thereof, by inserting "17 per centum" in lieu of "18 per centum" in paragraph (2), by inserting "19 per centum" in lieu of "19.8 per centum" in paragraph (3), and by renumbering paragraphs (2) and (3) as (1) and (2) respectively.

57 Stat. 128.
26 U. S. C., Supp.
IV, § 1622 (a).

(2) **TECHNICAL AMENDMENT.**—Section 1622 (b) (1) (percentage method withholding table) is amended by striking out "18 per centum" in the last column of the table therein, and inserting in lieu thereof "17 per centum".

57 Stat. 128.
26 U. S. C., Supp.
IV, § 1622 (b) (1).

(b) **WAGE BRACKET WITHHOLDING.**—The tables contained in section 1622 (c) (1) (relating to wage bracket withholding) are amended to read as follows:

57 Stat. 129.
26 U. S. C., Supp.
IV, § 1622 (c) (1).

If the pay-roll period with respect to an employee is weekly

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
\$0.....	\$11.....	17% of wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$11.....	\$12.....	\$2.00	.10	0	0	0	0	0	0	0	0	0
\$12.....	\$13.....	2.10	.30	0	0	0	0	0	0	0	0	0
\$13.....	\$14.....	2.30	.50	0	0	0	0	0	0	0	0	0
\$14.....	\$15.....	2.50	.70	0	0	0	0	0	0	0	0	0
\$15.....	\$16.....	2.70	.80	0	0	0	0	0	0	0	0	0
\$16.....	\$17.....	2.80	1.00	0	0	0	0	0	0	0	0	0
\$17.....	\$18.....	3.00	1.20	0	0	0	0	0	0	0	0	0
\$18.....	\$19.....	3.20	1.30	0	0	0	0	0	0	0	0	0
\$19.....	\$20.....	3.30	1.50	0	0	0	0	0	0	0	0	0
\$20.....	\$21.....	3.50	1.70	0	0	0	0	0	0	0	0	0
\$21.....	\$22.....	3.70	1.80	0	0	0	0	0	0	0	0	0
\$22.....	\$23.....	3.80	2.00	.20	0	0	0	0	0	0	0	0
\$23.....	\$24.....	4.00	2.20	.40	0	0	0	0	0	0	0	0
\$24.....	\$25.....	4.20	2.40	.60	0	0	0	0	0	0	0	0
\$25.....	\$26.....	4.40	2.50	.70	0	0	0	0	0	0	0	0
\$26.....	\$27.....	4.50	2.70	.90	0	0	0	0	0	0	0	0
\$27.....	\$28.....	4.70	2.90	1.00	0	0	0	0	0	0	0	0
\$28.....	\$29.....	4.90	3.00	1.20	0	0	0	0	0	0	0	0
\$29.....	\$30.....	5.00	3.20	1.40	0	0	0	0	0	0	0	0
\$30.....	\$31.....	5.20	3.40	1.60	0	0	0	0	0	0	0	0
\$31.....	\$32.....	5.40	3.60	1.70	0	0	0	0	0	0	0	0
\$32.....	\$33.....	5.60	3.70	1.90	.10	0	0	0	0	0	0	0
\$33.....	\$34.....	5.70	3.90	2.10	.20	0	0	0	0	0	0	0
\$34.....	\$35.....	5.90	4.10	2.20	.40	0	0	0	0	0	0	0
\$35.....	\$36.....	6.10	4.20	2.40	.60	0	0	0	0	0	0	0
\$36.....	\$37.....	6.20	4.40	2.60	.80	0	0	0	0	0	0	0
\$37.....	\$38.....	6.40	4.60	2.80	.90	0	0	0	0	0	0	0
\$38.....	\$39.....	6.60	4.80	2.90	1.10	0	0	0	0	0	0	0
\$39.....	\$40.....	6.80	4.90	3.10	1.30	0	0	0	0	0	0	0
\$40.....	\$41.....	6.90	5.10	3.30	1.40	0	0	0	0	0	0	0
\$41.....	\$42.....	7.10	5.30	3.40	1.60	0	0	0	0	0	0	0
\$42.....	\$43.....	7.30	5.40	3.60	1.80	0	0	0	0	0	0	0
\$43.....	\$44.....	7.40	5.60	3.80	2.00	.10	0	0	0	0	0	0
\$44.....	\$45.....	7.60	5.80	4.00	2.10	.30	0	0	0	0	0	0
\$45.....	\$46.....	7.80	6.00	4.10	2.30	.50	0	0	0	0	0	0
\$46.....	\$47.....	8.00	6.10	4.30	2.50	.60	0	0	0	0	0	0
\$47.....	\$48.....	8.20	6.30	4.50	2.60	.80	0	0	0	0	0	0
\$48.....	\$49.....	8.40	6.50	4.60	2.80	1.00	0	0	0	0	0	0
\$49.....	\$50.....	8.60	6.60	4.80	3.00	1.20	0	0	0	0	0	0
\$50.....	\$51.....	8.80	6.80	5.00	3.20	1.30	0	0	0	0	0	0
\$51.....	\$52.....	8.90	7.00	5.20	3.30	1.50	0	0	0	0	0	0

If the pay-roll period with respect to an employee is biweekly—Continued

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
\$44	\$46	\$7.70	\$4.00	\$0.40	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$46	\$48	8.00	4.40	.70	0	0	0	0	0	0	0	0
\$48	\$50	8.40	4.70	1.10	0	0	0	0	0	0	0	0
\$50	\$52	8.70	5.10	1.40	0	0	0	0	0	0	0	0
\$52	\$54	9.10	5.40	1.80	0	0	0	0	0	0	0	0
\$54	\$56	9.40	5.80	2.10	0	0	0	0	0	0	0	0
\$56	\$58	9.70	6.10	2.40	0	0	0	0	0	0	0	0
\$58	\$60	10.10	6.40	2.80	0	0	0	0	0	0	0	0
\$60	\$62	10.40	6.80	3.10	0	0	0	0	0	0	0	0
\$62	\$64	10.80	7.10	3.50	0	0	0	0	0	0	0	0
\$64	\$66	11.10	7.50	3.80	.20	0	0	0	0	0	0	0
\$66	\$68	11.50	7.80	4.10	.50	0	0	0	0	0	0	0
\$68	\$70	11.80	8.10	4.50	.80	0	0	0	0	0	0	0
\$70	\$72	12.10	8.50	4.80	1.20	0	0	0	0	0	0	0
\$72	\$74	12.50	8.80	5.20	1.50	0	0	0	0	0	0	0
\$74	\$76	12.80	9.20	5.50	1.90	0	0	0	0	0	0	0
\$76	\$78	13.20	9.50	5.90	2.20	0	0	0	0	0	0	0
\$78	\$80	13.50	9.90	6.20	2.50	0	0	0	0	0	0	0
\$80	\$82	13.90	10.20	6.50	2.90	0	0	0	0	0	0	0
\$82	\$84	14.20	10.50	6.90	3.20	0	0	0	0	0	0	0
\$84	\$86	14.50	10.90	7.20	3.60	0	0	0	0	0	0	0
\$86	\$88	14.90	11.20	7.60	3.90	.30	0	0	0	0	0	0
\$88	\$90	15.30	11.60	7.90	4.30	.60	0	0	0	0	0	0
\$90	\$92	15.60	11.90	8.30	4.60	.90	0	0	0	0	0	0
\$92	\$94	16.00	12.20	8.60	4.90	1.30	0	0	0	0	0	0
\$94	\$96	16.40	12.60	8.90	5.30	1.60	0	0	0	0	0	0
\$96	\$98	16.80	12.90	9.30	5.60	2.00	0	0	0	0	0	0
\$98	\$100	17.20	13.30	9.60	6.00	2.30	0	0	0	0	0	0
\$100	\$102	17.50	13.60	10.00	6.30	2.70	0	0	0	0	0	0
\$102	\$104	17.90	14.00	10.30	6.70	3.00	0	0	0	0	0	0
\$104	\$106	18.30	14.30	10.60	7.00	3.30	0	0	0	0	0	0
\$106	\$108	18.70	14.60	11.00	7.30	3.70	0	0	0	0	0	0
\$108	\$110	19.00	15.00	11.30	7.70	4.00	.40	0	0	0	0	0
\$110	\$112	19.40	15.40	11.70	8.00	4.40	.70	0	0	0	0	0
\$112	\$114	19.80	15.80	12.00	8.40	4.70	1.10	0	0	0	0	0
\$114	\$116	20.20	16.20	12.40	8.70	5.00	1.40	0	0	0	0	0
\$116	\$118	20.50	16.50	12.70	9.00	5.40	1.70	0	0	0	0	0
\$118	\$120	20.90	16.90	13.00	9.40	5.70	2.10	0	0	0	0	0
\$120	\$124	21.50	17.50	13.60	9.90	6.20	2.60	0	0	0	0	0
\$124	\$128	22.20	18.20	14.20	10.60	6.90	3.30	0	0	0	0	0
\$128	\$132	23.00	19.00	15.00	11.30	7.60	4.00	.30	0	0	0	0
\$132	\$136	23.70	19.70	15.70	12.00	8.30	4.60	1.00	0	0	0	0
\$136	\$140	24.50	20.50	16.50	12.60	9.00	5.30	1.70	0	0	0	0
\$140	\$144	25.20	21.20	17.20	13.30	9.70	6.00	2.40	0	0	0	0
\$144	\$148	26.00	22.00	18.00	14.00	10.40	6.70	3.00	0	0	0	0
\$148	\$152	26.80	22.70	18.70	14.70	11.00	7.40	3.70	.10	0	0	0
\$152	\$156	27.50	23.50	19.50	15.40	11.70	8.10	4.40	.80	0	0	0
\$156	\$160	28.30	24.20	20.20	16.20	12.40	8.70	5.10	1.40	0	0	0
\$160	\$164	29.00	25.00	21.00	16.90	13.10	9.40	5.80	2.10	0	0	0
\$164	\$168	29.80	25.70	21.70	17.70	13.80	10.10	6.50	2.80	0	0	0
\$168	\$172	30.50	26.50	22.50	18.40	14.50	10.80	7.10	3.50	0	0	0
\$172	\$176	31.30	27.20	23.20	19.20	15.20	11.50	7.80	4.20	.50	0	0
\$176	\$180	32.00	28.00	24.00	20.00	15.90	12.20	8.50	4.90	1.20	0	0
\$180	\$184	32.80	28.70	24.70	20.70	16.70	12.90	9.20	5.50	1.90	0	0
\$184	\$188	33.50	29.50	25.50	21.50	17.40	13.50	9.90	6.20	2.60	0	0
\$188	\$192	34.30	30.30	26.20	22.20	18.20	14.20	10.60	6.90	3.30	0	0
\$192	\$196	35.00	31.00	27.00	23.00	19.00	14.90	11.30	7.60	3.90	.30	0
\$196	\$200	35.80	31.80	27.70	23.70	19.70	15.70	11.90	8.30	4.60	1.00	0
\$200	\$210	37.10	33.10	29.10	25.00	21.00	17.00	13.10	9.50	5.80	2.20	0
\$210	\$220	39.00	35.00	30.90	26.90	22.90	18.90	14.90	11.20	7.50	3.90	.20
\$220	\$230	40.90	36.80	32.80	28.80	24.80	20.80	16.70	12.90	9.20	5.60	1.90
\$230	\$240	42.70	38.70	34.70	30.70	26.70	22.60	18.60	14.60	11.00	7.30	3.60
\$240	\$250	44.60	40.60	36.60	32.60	28.50	24.50	20.50	16.50	12.70	9.00	5.40
\$250	\$260	46.50	42.50	38.50	34.40	30.40	26.40	22.40	18.40	14.40	10.70	7.10
\$260	\$270	48.40	44.40	40.30	36.30	32.30	28.30	24.30	20.20	16.20	12.40	8.80
\$270	\$280	50.30	46.20	42.20	38.20	34.20	30.20	26.10	22.10	18.10	14.10	10.50
\$280	\$290	52.10	48.10	44.10	40.10	36.10	32.00	28.00	24.00	20.00	16.00	12.20
\$290	\$300	54.00	50.00	46.00	42.00	37.90	33.90	29.90	25.90	21.90	17.90	13.90
\$300	\$320	56.80	52.80	48.80	44.80	40.80	36.70	32.70	28.70	24.70	20.70	16.70
\$320	\$340	60.60	56.60	52.60	48.60	44.50	40.50	36.50	32.50	28.50	24.40	20.40
\$340	\$360	64.40	60.40	56.30	52.30	48.30	44.30	40.30	36.20	32.20	28.20	24.20
\$360	\$380	68.10	64.10	60.10	56.10	52.10	48.00	44.00	40.00	36.00	32.00	27.90
\$380	\$400	71.90	67.90	63.90	59.80	55.80	51.80	47.80	43.80	39.70	35.70	31.70
19 percent of the excess over \$400 plus—												
\$400 and over		73.80	69.80	65.70	61.70	57.70	53.70	49.70	45.60	41.60	37.60	33.60

If the pay-roll period with respect to an employee is semimonthly

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
\$0.	\$22.	17% of wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$22.	\$24.	\$3.90	0	0	0	0	0	0	0	0	0	0
\$24.	\$26.	4.30	.30	0	0	0	0	0	0	0	0	0
\$26.	\$28.	4.60	.70	0	0	0	0	0	0	0	0	0
\$28.	\$30.	5.00	1.00	0	0	0	0	0	0	0	0	0
\$30.	\$32.	5.30	1.30	0	0	0	0	0	0	0	0	0
\$32.	\$34.	5.60	1.70	0	0	0	0	0	0	0	0	0
\$34.	\$36.	6.00	2.00	0	0	0	0	0	0	0	0	0
\$36.	\$38.	6.30	2.40	0	0	0	0	0	0	0	0	0
\$38.	\$40.	6.70	2.70	0	0	0	0	0	0	0	0	0
\$40.	\$42.	7.00	3.10	0	0	0	0	0	0	0	0	0
\$42.	\$44.	7.40	3.40	0	0	0	0	0	0	0	0	0
\$44.	\$46.	7.70	3.70	0	0	0	0	0	0	0	0	0
\$46.	\$48.	8.00	4.10	.10	0	0	0	0	0	0	0	0
\$48.	\$50.	8.40	4.40	.50	0	0	0	0	0	0	0	0
\$50.	\$52.	8.70	4.80	.80	0	0	0	0	0	0	0	0
\$52.	\$54.	9.10	5.10	1.10	0	0	0	0	0	0	0	0
\$54.	\$56.	9.40	5.40	1.50	0	0	0	0	0	0	0	0
\$56.	\$58.	9.70	5.80	1.80	0	0	0	0	0	0	0	0
\$58.	\$60.	10.10	6.10	2.20	0	0	0	0	0	0	0	0
\$60.	\$62.	10.40	6.50	2.50	0	0	0	0	0	0	0	0
\$62.	\$64.	10.80	6.80	2.90	0	0	0	0	0	0	0	0
\$64.	\$66.	11.10	7.20	3.20	0	0	0	0	0	0	0	0
\$66.	\$68.	11.50	7.50	3.50	0	0	0	0	0	0	0	0
\$68.	\$70.	11.80	7.80	3.90	0	0	0	0	0	0	0	0
\$70.	\$72.	12.10	8.20	4.20	.30	0	0	0	0	0	0	0
\$72.	\$74.	12.50	8.50	4.60	.60	0	0	0	0	0	0	0
\$74.	\$76.	12.80	8.90	4.90	1.00	0	0	0	0	0	0	0
\$76.	\$78.	13.20	9.20	5.30	1.30	0	0	0	0	0	0	0
\$78.	\$80.	13.50	9.60	5.60	1.60	0	0	0	0	0	0	0
\$80.	\$82.	13.90	9.90	5.90	2.00	0	0	0	0	0	0	0
\$82.	\$84.	14.20	10.20	6.30	2.30	0	0	0	0	0	0	0
\$84.	\$86.	14.50	10.60	6.60	2.70	0	0	0	0	0	0	0
\$86.	\$88.	14.90	10.90	7.00	3.00	0	0	0	0	0	0	0
\$88.	\$90.	15.20	11.30	7.30	3.30	0	0	0	0	0	0	0
\$90.	\$92.	15.60	11.60	7.60	3.70	0	0	0	0	0	0	0
\$92.	\$94.	15.90	11.90	8.00	4.00	.10	0	0	0	0	0	0
\$94.	\$96.	16.30	12.30	8.30	4.40	.40	0	0	0	0	0	0
\$96.	\$98.	16.70	12.60	8.70	4.70	.80	0	0	0	0	0	0
\$98.	\$100.	17.00	13.00	9.00	5.10	1.10	0	0	0	0	0	0
\$100.	\$102.	17.40	13.30	9.40	5.40	1.40	0	0	0	0	0	0
\$102.	\$104.	17.80	13.70	9.70	5.70	1.80	0	0	0	0	0	0
\$104.	\$106.	18.20	14.00	10.00	6.10	2.10	0	0	0	0	0	0
\$106.	\$108.	18.50	14.30	10.40	6.40	2.50	0	0	0	0	0	0
\$108.	\$110.	18.90	14.70	10.70	6.80	2.80	0	0	0	0	0	0
\$110.	\$112.	19.30	15.00	11.10	7.10	3.10	0	0	0	0	0	0
\$112.	\$114.	19.70	15.40	11.40	7.40	3.50	0	0	0	0	0	0
\$114.	\$116.	20.00	15.70	11.70	7.80	3.80	0	0	0	0	0	0
\$116.	\$118.	20.40	16.10	12.10	8.10	4.20	.20	0	0	0	0	0
\$118.	\$120.	20.80	16.40	12.40	8.50	4.50	.60	0	0	0	0	0
\$120.	\$122.	21.40	17.00	12.90	9.00	5.00	1.10	0	0	0	0	0
\$122.	\$124.	22.10	17.80	13.60	9.70	5.70	1.80	0	0	0	0	0
\$124.	\$126.	22.90	18.50	14.30	10.40	6.40	2.40	0	0	0	0	0
\$126.	\$128.	23.60	19.30	15.00	11.00	7.10	3.10	0	0	0	0	0
\$128.	\$130.	24.40	20.00	15.70	11.70	7.80	3.80	0	0	0	0	0
\$130.	\$132.	25.10	20.80	16.40	12.40	8.40	4.50	.50	0	0	0	0
\$132.	\$134.	25.90	21.50	17.20	13.10	9.10	5.20	1.20	0	0	0	0
\$134.	\$136.	26.60	22.30	17.90	13.80	9.80	5.90	1.90	0	0	0	0
\$136.	\$138.	27.40	23.00	18.70	14.50	10.50	6.50	2.60	0	0	0	0
\$138.	\$140.	28.10	23.80	19.40	15.10	11.20	7.20	3.30	0	0	0	0
\$140.	\$142.	28.90	24.50	20.20	15.80	11.90	7.90	4.00	0	0	0	0
\$142.	\$144.	29.60	25.30	20.90	16.60	12.60	8.60	4.60	.70	0	0	0
\$144.	\$146.	30.40	26.00	21.70	17.30	13.20	9.30	5.30	1.40	0	0	0
\$146.	\$148.	31.10	26.80	22.40	18.10	13.90	10.00	6.00	2.00	0	0	0
\$148.	\$150.	31.90	27.50	23.20	18.80	14.60	10.60	6.70	2.70	0	0	0
\$150.	\$152.	32.60	28.30	23.90	19.60	15.30	11.30	7.40	3.40	0	0	0
\$152.	\$154.	33.40	29.00	24.70	20.30	16.00	12.00	8.10	4.10	.10	0	0
\$154.	\$156.	34.20	29.80	25.40	21.10	16.70	12.70	8.70	4.80	.80	0	0
\$156.	\$158.	34.90	30.60	26.20	21.80	17.50	13.40	9.40	5.50	1.50	0	0
\$158.	\$160.	35.70	31.30	27.00	22.60	18.20	14.10	10.10	6.10	2.20	0	0
\$160.	\$162.	37.00	32.60	28.30	23.90	19.60	15.30	11.30	7.30	3.40	0	0
\$162.	\$164.	38.90	34.50	30.10	25.80	21.40	17.10	13.00	9.10	5.10	1.10	0
\$164.	\$166.	40.70	36.40	32.00	27.70	23.30	19.00	14.70	10.80	6.80	2.90	0
\$166.	\$168.	42.60	38.30	33.90	29.60	25.20	20.80	16.50	12.50	8.50	4.60	.60
\$168.	\$170.	44.50	40.10	35.80	31.40	27.10	22.70	18.40	14.20	10.20	6.30	2.30
\$170.	\$172.	46.40	42.00	37.70	33.30	29.00	24.60	20.30	15.90	11.90	8.00	4.00
\$172.	\$174.	48.30	43.90	39.50	35.20	30.80	26.50	22.10	17.80	13.60	9.70	5.70
\$174.	\$176.	50.10	45.80	41.40	37.10	32.70	28.40	24.00	19.70	15.40	11.40	7.40
\$176.	\$178.	52.00	47.70	43.30	39.00	34.60	30.20	25.90	21.60	17.20	13.10	9.20

If the pay-roll period with respect to an employee is semimonthly—Continued

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
\$290.....	\$300.....	\$53.90	\$49.60	\$45.20	\$40.80	\$36.50	\$32.10	\$27.80	\$23.40	\$19.10	\$14.80	\$10.90
\$300.....	\$320.....	56.70	52.40	48.00	43.70	39.30	35.00	30.60	26.20	21.90	17.50	13.40
\$320.....	\$340.....	60.50	56.10	51.80	47.40	43.10	38.70	34.40	30.00	25.70	21.30	16.90
\$340.....	\$360.....	64.20	59.90	55.50	51.20	46.80	42.50	38.10	33.80	29.40	25.10	20.70
\$360.....	\$380.....	68.00	63.70	59.30	54.90	50.60	46.20	41.90	37.50	33.20	28.80	24.50
\$380.....	\$400.....	71.80	67.40	63.10	58.70	54.40	50.00	45.60	41.30	36.90	32.60	28.20
\$400.....	\$420.....	75.50	71.20	66.80	62.50	58.10	53.80	49.40	45.10	40.70	36.30	32.00
\$420.....	\$440.....	79.30	74.90	70.60	66.20	61.90	57.50	53.20	48.80	44.50	40.10	35.80
\$440.....	\$460.....	83.10	78.70	74.30	70.00	65.60	61.30	56.90	52.60	48.20	43.90	39.50
\$460.....	\$480.....	86.80	82.50	78.10	73.80	69.40	65.00	60.70	56.30	52.00	47.60	43.30
\$480.....	\$500.....	90.60	86.20	81.90	77.50	73.20	68.80	64.50	60.10	55.70	51.40	47.00
19 percent of the excess over \$500 plus—												
\$500 and over.....		92.50	88.10	82.80	79.40	75.10	70.70	66.30	62.00	57.60	53.30	48.90

If the pay-roll period with respect to an employee is monthly

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
\$0.....	\$4.....	17% of wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$4.....	\$8.....	0	0	0	0	0	0	0	0	0	0	0
\$8.....	\$12.....	8.60	0	0	0	0	0	0	0	0	0	0
\$12.....	\$16.....	9.20	1.30	0	0	0	0	0	0	0	0	0
\$16.....	\$20.....	9.90	2.00	0	0	0	0	0	0	0	0	0
\$20.....	\$24.....	10.60	2.70	0	0	0	0	0	0	0	0	0
\$24.....	\$28.....	11.30	3.40	0	0	0	0	0	0	0	0	0
\$28.....	\$32.....	12.00	4.10	0	0	0	0	0	0	0	0	0
\$32.....	\$36.....	12.70	4.70	0	0	0	0	0	0	0	0	0
\$36.....	\$40.....	13.30	5.40	0	0	0	0	0	0	0	0	0
\$40.....	\$44.....	14.00	6.10	0	0	0	0	0	0	0	0	0
\$44.....	\$48.....	14.70	6.80	0	0	0	0	0	0	0	0	0
\$48.....	\$52.....	15.40	7.50	0	0	0	0	0	0	0	0	0
\$52.....	\$56.....	16.10	8.20	0	0	0	0	0	0	0	0	0
\$56.....	\$60.....	16.80	8.90	0	0	0	0	0	0	0	0	0
\$60.....	\$64.....	17.40	9.50	1.60	0	0	0	0	0	0	0	0
\$64.....	\$68.....	18.10	10.20	2.30	0	0	0	0	0	0	0	0
\$68.....	\$72.....	18.80	10.90	3.00	0	0	0	0	0	0	0	0
\$72.....	\$76.....	19.50	11.60	3.70	0	0	0	0	0	0	0	0
\$76.....	\$80.....	20.20	12.30	4.30	0	0	0	0	0	0	0	0
\$80.....	\$84.....	20.90	12.90	5.00	0	0	0	0	0	0	0	0
\$84.....	\$88.....	21.50	13.60	5.70	0	0	0	0	0	0	0	0
\$88.....	\$92.....	22.20	14.30	6.40	0	0	0	0	0	0	0	0
\$92.....	\$96.....	22.90	15.00	7.10	0	0	0	0	0	0	0	0
\$96.....	\$100.....	23.60	15.70	7.80	0	0	0	0	0	0	0	0
\$100.....	\$104.....	24.30	16.40	8.40	0	0	0	0	0	0	0	0
\$104.....	\$108.....	25.00	17.00	9.10	1.20	0	0	0	0	0	0	0
\$108.....	\$112.....	25.70	17.70	9.80	1.90	0	0	0	0	0	0	0
\$112.....	\$116.....	26.30	18.40	10.50	2.60	0	0	0	0	0	0	0
\$116.....	\$120.....	27.00	19.10	11.20	3.30	0	0	0	0	0	0	0
\$120.....	\$124.....	27.70	19.80	11.90	4.00	0	0	0	0	0	0	0
\$124.....	\$128.....	28.40	20.50	12.60	4.60	0	0	0	0	0	0	0
\$128.....	\$132.....	29.10	21.20	13.20	5.30	0	0	0	0	0	0	0
\$132.....	\$136.....	29.80	21.80	13.90	6.00	0	0	0	0	0	0	0
\$136.....	\$140.....	30.40	22.50	14.60	6.70	0	0	0	0	0	0	0
\$140.....	\$144.....	31.10	23.20	15.30	7.40	0	0	0	0	0	0	0
\$144.....	\$148.....	31.80	23.90	16.00	8.10	0	0	0	0	0	0	0
\$148.....	\$152.....	32.60	24.60	16.70	8.70	0	0	0	0	0	0	0
\$152.....	\$156.....	33.30	25.30	17.30	9.40	1.50	0	0	0	0	0	0
\$156.....	\$160.....	34.10	25.90	18.00	10.10	2.20	0	0	0	0	0	0
\$160.....	\$164.....	34.80	26.60	18.70	10.80	2.90	0	0	0	0	0	0
\$164.....	\$168.....	35.60	27.30	19.40	11.50	3.60	0	0	0	0	0	0
\$168.....	\$172.....	36.30	28.00	20.10	12.20	4.20	0	0	0	0	0	0
\$172.....	\$176.....	37.10	28.70	20.80	12.80	4.90	0	0	0	0	0	0
\$176.....	\$180.....	37.80	29.40	21.40	13.50	5.60	0	0	0	0	0	0
\$180.....	\$184.....	38.60	30.00	22.10	14.20	6.30	0	0	0	0	0	0

If the pay-roll period with respect to an employee is monthly—Continued

And the wages are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be—												
\$224	\$228	\$39.30	\$30.70	\$22.80	\$14.90	\$7.00	\$0	\$0	\$0	\$0	\$0	\$0
\$228	\$232	40.10	31.40	23.50	15.60	7.70	0	0	0	0	0	0
\$232	\$236	40.80	32.10	24.20	16.30	8.30	.40	0	0	0	0	0
\$236	\$240	41.60	32.90	24.90	16.90	9.00	1.10	0	0	0	0	0
\$240	\$248	42.70	34.00	25.90	18.00	10.10	2.10	0	0	0	0	0
\$248	\$256	44.20	35.50	27.30	19.30	11.40	3.50	0	0	0	0	0
\$256	\$264	45.70	37.00	28.60	20.70	12.80	4.90	0	0	0	0	0
\$264	\$272	47.20	38.50	30.00	22.10	14.20	6.20	0	0	0	0	0
\$272	\$280	48.70	40.00	31.40	23.40	15.50	7.60	0	0	0	0	0
\$280	\$288	50.20	41.50	32.80	24.80	16.90	9.00	1.10	0	0	0	0
\$288	\$296	51.80	43.00	34.30	26.20	18.30	10.30	2.40	0	0	0	0
\$296	\$304	53.30	44.50	35.80	27.60	19.60	11.70	3.80	0	0	0	0
\$304	\$312	54.80	46.10	37.30	28.90	21.00	13.10	5.20	0	0	0	0
\$312	\$320	56.30	47.60	38.90	30.30	22.40	14.50	6.50	0	0	0	0
\$320	\$328	57.80	49.10	40.40	31.70	23.70	15.80	7.90	0	0	0	0
\$328	\$336	59.30	50.60	41.90	33.20	25.10	17.20	9.30	1.40	0	0	0
\$336	\$344	60.80	52.10	43.40	34.70	26.50	18.60	10.60	2.70	0	0	0
\$344	\$352	62.30	53.60	44.90	36.20	27.80	19.90	12.00	4.10	0	0	0
\$352	\$360	63.80	55.10	46.40	37.70	29.20	21.30	13.40	5.50	0	0	0
\$360	\$368	65.30	56.60	47.90	39.20	30.60	22.70	14.70	6.80	0	0	0
\$368	\$376	66.80	58.10	49.40	40.70	32.00	24.00	16.10	8.20	.30	0	0
\$376	\$384	68.30	59.60	50.90	42.20	33.50	25.40	17.50	9.60	1.60	0	0
\$384	\$392	69.80	61.10	52.40	43.70	35.00	26.80	18.80	10.90	3.00	0	0
\$392	\$400	71.30	62.60	53.90	45.20	36.50	28.10	20.20	12.30	4.40	0	0
\$400	\$420	73.90	65.20	56.50	47.80	39.10	30.50	22.60	14.70	6.80	0	0
\$420	\$440	77.70	69.00	60.30	51.60	42.90	34.20	26.00	18.10	10.20	2.30	0
\$440	\$460	81.50	72.80	64.10	55.30	46.60	37.90	29.50	21.50	13.60	5.70	0
\$460	\$480	85.20	76.50	67.80	59.10	50.40	41.70	33.00	25.00	17.00	9.10	1.20
\$480	\$500	89.00	80.30	71.60	62.90	54.20	45.50	36.70	28.40	20.50	12.50	4.60
\$500	\$520	92.80	84.10	75.30	66.60	57.90	49.20	40.50	31.80	23.90	16.00	8.00
\$520	\$540	96.50	87.80	79.10	70.40	61.70	53.00	44.30	35.00	27.30	19.40	11.50
\$540	\$560	100.30	91.60	82.90	74.20	65.50	56.70	48.00	39.30	30.70	22.80	14.90
\$560	\$580	104.00	95.30	86.60	77.90	69.20	60.50	51.80	43.10	34.40	26.20	18.30
\$580	\$600	107.80	99.10	90.40	81.70	73.00	64.30	55.60	46.90	38.10	29.60	21.70
\$600	\$640	113.40	104.70	96.00	87.30	78.60	69.90	61.20	52.50	43.80	35.10	26.90
\$640	\$680	121.00	112.30	103.60	94.80	86.10	77.40	68.70	60.00	51.30	42.60	33.90
\$680	\$720	128.50	119.80	111.10	102.40	93.70	85.00	76.20	67.50	58.80	50.10	41.40
\$720	\$760	136.00	127.30	118.60	109.90	101.20	92.50	83.80	75.10	66.40	57.60	48.90
\$760	\$800	143.50	134.80	126.10	117.40	108.70	100.00	91.30	82.60	73.90	65.20	56.50
\$800	\$840	151.10	142.40	133.70	124.90	116.20	107.50	98.80	90.10	81.40	72.70	64.00
\$840	\$880	158.60	149.90	141.20	132.50	123.80	115.10	106.30	97.60	88.90	80.20	71.50
\$880	\$920	166.10	157.40	148.70	140.00	131.30	122.60	113.90	105.20	96.50	87.70	79.00
\$920	\$960	173.60	164.90	156.20	147.50	138.80	130.10	121.40	112.70	104.00	95.30	86.60
\$960	\$1,000	181.20	172.50	163.80	155.00	146.30	137.60	128.90	120.20	111.50	102.80	94.10
19 percent of the excess over \$1,000 plus—												
\$1,000 and over		184.90	176.20	167.50	158.80	150.10	141.40	132.70	124.00	115.30	106.60	97.90

If the pay-roll period with respect to an employee is a daily pay-roll period or a miscellaneous pay-roll period

And the wages divided by the number of days in such period are—		And the number of withholding exemptions claimed is—										
At least	But less than	0	1	2	3	4	5	6	7	8	9	10 or more
The amount of tax to be withheld shall be the following amount multiplied by the number of days in such period												
\$0	\$1.50	17% of wages	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$1.50	\$1.75	\$0.30	0	0	0	0	0	0	0	0	0	0
\$1.75	\$2.00	.35	.05	0	0	0	0	0	0	0	0	0
\$2.00	\$2.25	.40	.10	0	0	0	0	0	0	0	0	0
\$2.25	\$2.50	.45	.15	0	0	0	0	0	0	0	0	0
\$2.50	\$2.75	.50	.20	0	0	0	0	0	0	0	0	0
\$2.75	\$3.00	.55	.25	0	0	0	0	0	0	0	0	0
\$3.00	\$3.25	.60	.30	0	0	0	0	0	0	0	0	0
\$3.25	\$3.50	.65	.35	.05	0	0	0	0	0	0	0	0
\$3.50	\$3.75	.70	.40	.10	0	0	0	0	0	0	0	0

If the pay-roll period with respect to an employee is a daily pay-roll period or a miscellaneous pay-roll period—Continued

And the wages divided by the number of days in such period are—		And the number of withholding exemptions claimed is—									
		0	1	2	3	4	5	6	7	8	9 or more
At least	But less than	The amount of tax to be withheld shall be the following amount multiplied by the number of days in such period									
\$3.75	\$4.00	\$0.65	\$0.40	\$0.15	\$0	\$0	\$0	\$0	\$0	\$0	\$0
\$4.00	\$4.25	.70	.45	.20	0	0	0	0	0	0	0
\$4.25	\$4.50	.75	.50	.25	0	0	0	0	0	0	0
\$4.50	\$4.75	.80	.55	.25	0	0	0	0	0	0	0
\$4.75	\$5.00	.85	.55	.30	.05	0	0	0	0	0	0
\$5.00	\$5.25	.90	.60	.35	.10	0	0	0	0	0	0
\$5.25	\$5.50	.90	.65	.40	.15	0	0	0	0	0	0
\$5.50	\$5.75	.95	.70	.45	.20	0	0	0	0	0	0
\$5.75	\$6.00	1.00	.75	.50	.20	0	0	0	0	0	0
\$6.00	\$6.25	1.05	.80	.55	.25	0	0	0	0	0	0
\$6.25	\$6.50	1.10	.85	.55	.30	.05	0	0	0	0	0
\$6.50	\$6.75	1.15	.85	.60	.35	.10	0	0	0	0	0
\$6.75	\$7.00	1.20	.90	.65	.40	.15	0	0	0	0	0
\$7.00	\$7.25	1.25	.95	.70	.45	.20	0	0	0	0	0
\$7.25	\$7.50	1.30	1.00	.75	.50	.20	0	0	0	0	0
\$7.50	\$7.75	1.35	1.05	.80	.50	.25	0	0	0	0	0
\$7.75	\$8.00	1.40	1.10	.85	.55	.30	.05	0	0	0	0
\$8.00	\$8.25	1.40	1.15	.85	.60	.35	.10	0	0	0	0
\$8.25	\$8.50	1.45	1.20	.90	.65	.40	.15	0	0	0	0
\$8.50	\$8.75	1.50	1.25	.95	.70	.45	.15	0	0	0	0
\$8.75	\$9.00	1.55	1.30	1.00	.75	.50	.20	0	0	0	0
\$9.00	\$9.25	1.60	1.35	1.05	.80	.50	.25	0	0	0	0
\$9.25	\$9.50	1.65	1.35	1.10	.80	.55	.30	.05	0	0	0
\$9.50	\$9.75	1.70	1.40	1.15	.85	.60	.35	.10	0	0	0
\$9.75	\$10.00	1.75	1.45	1.20	.90	.65	.40	.15	0	0	0
\$10.00	\$10.50	1.80	1.55	1.25	.95	.70	.45	.20	0	0	0
\$10.50	\$11.00	1.90	1.65	1.35	1.05	.80	.55	.30	0	0	0
\$11.00	\$11.50	2.00	1.75	1.45	1.15	.90	.60	.35	.10	0	0
\$11.50	\$12.00	2.10	1.80	1.55	1.25	.95	.70	.45	.20	0	0
\$12.00	\$12.50	2.20	1.90	1.65	1.35	1.05	.80	.55	.25	0	0
\$12.50	\$13.00	2.30	2.00	1.70	1.45	1.15	.90	.60	.35	.10	0
\$13.00	\$13.50	2.40	2.10	1.80	1.55	1.25	.95	.70	.45	.20	0
\$13.50	\$14.00	2.50	2.20	1.90	1.60	1.35	1.05	.80	.55	.25	0
\$14.00	\$14.50	2.60	2.30	2.00	1.70	1.45	1.15	.90	.60	.35	.10
\$14.50	\$15.00	2.65	2.40	2.10	1.80	1.50	1.25	.95	.70	.45	.20
\$15.00	\$15.50	2.75	2.50	2.20	1.90	1.60	1.35	1.05	.80	.55	.25
\$15.50	\$16.00	2.85	2.55	2.30	2.00	1.70	1.45	1.15	.85	.60	.35
\$16.00	\$16.50	2.95	2.65	2.40	2.10	1.80	1.50	1.25	.95	.70	.45
\$16.50	\$17.00	3.05	2.75	2.45	2.20	1.90	1.60	1.35	1.05	.80	.50
\$17.00	\$17.50	3.15	2.85	2.55	2.30	2.00	1.70	1.40	1.15	.85	.60
\$17.50	\$18.00	3.25	2.95	2.65	2.40	2.10	1.80	1.50	1.25	.95	.70
\$18.00	\$18.50	3.35	3.05	2.75	2.45	2.20	1.90	1.60	1.30	1.05	.80
\$18.50	\$19.00	3.40	3.15	2.85	2.55	2.30	2.00	1.70	1.40	1.15	.85
\$19.00	\$19.50	3.50	3.25	2.95	2.65	2.35	2.10	1.80	1.50	1.25	.95
\$19.50	\$20.00	3.60	3.30	3.05	2.75	2.45	2.20	1.90	1.60	1.30	1.05
\$20.00	\$21.00	3.75	3.45	3.20	2.90	2.60	2.30	2.05	1.75	1.45	1.20
\$21.00	\$22.00	3.95	3.65	3.35	3.10	2.80	2.50	2.20	1.95	1.65	1.35
\$22.00	\$23.00	4.15	3.85	3.55	3.25	3.00	2.70	2.40	2.10	1.85	1.55
\$23.00	\$24.00	4.30	4.05	3.75	3.45	3.15	2.90	2.60	2.30	2.05	1.75
\$24.00	\$25.00	4.50	4.20	3.95	3.65	3.35	3.05	2.80	2.50	2.20	1.95
\$25.00	\$26.00	4.70	4.40	4.10	3.85	3.55	3.25	2.95	2.70	2.40	2.10
\$26.00	\$27.00	4.90	4.60	4.30	4.00	3.75	3.45	3.15	2.90	2.60	2.30
\$27.00	\$28.00	5.05	4.80	4.50	4.20	3.90	3.65	3.35	3.05	2.80	2.50
\$28.00	\$29.00	5.25	4.95	4.70	4.40	4.10	3.80	3.55	3.25	2.95	2.70
\$29.00	\$30.00	5.45	5.15	4.85	4.60	4.30	4.00	3.75	3.45	3.15	2.85
19 percent of the excess over \$30 plus—											
\$30.00 and over		5.55	5.25	4.95	4.70	4.40	4.10	3.80	3.55	3.25	2.95

(c) TECHNICAL AMENDMENT.—Section 1622 (h) (1) (C) (relating to exemptions for withholding) is amended by striking out the words “a surtax exemption under section 25 (b) (3)” and by inserting in lieu thereof “an exemption under section 25 (b) (1) (C)”.

(d) WITHHOLDING STATEMENTS.—

(1) Section 1625 (a) (relating to withholding receipts) is amended by inserting after “required to deduct and withhold a tax in respect of the wages of an employee” the following: “, or who would have been so required if the employee had claimed no more than one withholding exemption.”

58 Stat. 253.
26 U. S. C., Supp.
IV, § 1622 (h) (1) (C).
53 Stat. 18.
26 U. S. C., Supp.
IV, § 25 (b) (3).
Ante, p. 558.

57 Stat. 137.
26 U. S. C., Supp.
IV, § 1625 (a).

57 Stat. 137.
26 U. S. C., Supp.
IV, § 1626 (a) (b).

(2) Section 1626 (a) and (b) (relating to penalties in connection with withholding receipts) are amended (A) by striking out "in respect of tax withheld pursuant to this subchapter" in each of such subsections, and (B) by striking out "receipt" wherever appearing therein and inserting in lieu thereof "statement".

(e) EFFECTIVE DATE.—The amendments made by this section shall be applicable only with respect to wages paid on or after January 1, 1946.

Part II—Corporation Taxes

SEC. 121. DECREASE IN CORPORATION SURTAX.

(a) IN GENERAL.—Section 15 (b) (relating to the corporation surtax) is amended to read as follows:

"(b) IMPOSITION OF TAX.—There shall be levied, collected, and paid for each taxable year upon the corporation surtax net income of every corporation (except a Western Hemisphere trade corporation as defined in section 109, and except a corporation subject to a tax imposed by section 231 (a), Supplement G or Supplement Q) a surtax as follows:

"(1) Surtax net incomes not over \$25,000.—Upon corporation surtax net incomes not over \$25,000, 6 per centum of the amount thereof.

"(2) Surtax net incomes over \$25,000 but not over \$50,000.—Upon corporation surtax net incomes over \$25,000, but not over \$50,000, \$1,500 plus 22 per centum of the amount of the corporation surtax net income over \$25,000.

"(3) Surtax net incomes over \$50,000.—Upon corporation surtax net incomes over \$50,000, 14 per centum of the corporation surtax net income."

(b) MUTUAL INSURANCE COMPANIES OTHER THAN LIFE OR MARINE.—

(1) Section 207 (a) (1) (B) (relating to surtax on mutual insurance companies, other than life or marine) is amended to read as follows:

"(B) Surtax.—A surtax on the corporation surtax net income, computed at the rates provided in section 15 (b), except that if the corporation surtax net income is not more than \$6,000 the surtax shall be 12 per centum of the amount by which the corporation surtax net income exceeds \$3,000."

(2) Section 207 (a) (3) (B) (relating to surtax on inter-insurers or reciprocal underwriters) is amended by striking out "32 per centum" and inserting in lieu thereof "28 per centum".

(c) REGULATED INVESTMENT COMPANIES.—Section 362 (b) (4) (relating to the surtax on regulated investment companies) is amended by striking out "16 per centum" and inserting in lieu thereof "14 per centum".

(d) TAXABLE YEARS TO WHICH APPLICABLE.—The amendments made by this section shall be applicable with respect to taxable years beginning after December 31, 1945. For treatment of taxable years beginning in 1945 and ending in 1946, see section 131.

SEC. 122. REPEAL OF EXCESS PROFITS TAX IN 1946.

(a) IN GENERAL.—The provisions of subchapter E of chapter 2 shall not apply to any taxable year beginning after December 31, 1945.

(b) CARRY-BACKS FROM YEARS AFTER 1945, ETC.—Despite the provisions of subsection (a) of this section the provisions of subchapter E of chapter 2 shall remain in force for the purposes of the determination of the taxes imposed by such subchapter for taxable years beginning before January 1, 1946, such determination to be made as if subsection (a) had not been enacted but with the application of

55 Stat. 693.
26 U. S. C., Supp.
IV, § 15 (b).

56 Stat. 838.
26 U. S. C., Supp.
IV, § 109.
53 Stat. 78, 71, 98.
26 U. S. C., Supp.
IV, §§ 231(a), 201-208,
361-363.
Infra.
Post, p. 570.

56 Stat. 872.
26 U. S. C., Supp.
IV, § 207 (a) (1) (B).

Supra.

56 Stat. 873.
26 U. S. C., Supp.
IV, § 207 (a) (3) (B).

56 Stat. 880.
26 U. S. C., Supp.
IV, § 362 (b) (4).

Post, p. 570.

54 Stat. 975.
26 U. S. C. §§ 710-
752; Supp. IV, §§ 710-
783.
Ante, p. 519.

the amendments made by subsection (c) of this section and section 131 of this Act.

(c) **UNUSED EXCESS PROFITS CREDIT FOR TAXABLE YEAR BEGINNING AFTER DECEMBER 31, 1945.**—Section 710 (c) (2) (defining the unused excess profits credit) is amended by inserting at the end thereof a new sentence reading as follows: "There shall be no unused excess profits credit for a taxable year beginning after December 31, 1946. The unused excess profits credit for a taxable year beginning in 1946 and ending in 1947 shall be an amount which is such part of the unused excess profits credit determined under the preceding provisions of this paragraph as the number of days in such taxable year prior to January 1, 1947, is of the total number of days in such taxable year."

(d) **AFFILIATED GROUPS.**—Subsection (b) shall be applied in the case of corporations making or required to make a consolidated return under chapter 1 for any taxable year beginning after December 31, 1945, and in the case of a corporation making a separate return for any such taxable year which was a member of a group which made or was required to make a consolidated return for any prior taxable year, in such manner as may be prescribed in regulations prescribed by the Commissioner with the approval of the Secretary prior to the last day prescribed by law for the making of the return for the year beginning after December 31, 1945.

(e) **CLAIMS FOR REFUND BASED ON CARRY-BACKS.**—

(1) **IN GENERAL.**—The first sentence of section 322 (b) (6) (relating to periods of limitation with respect to claims for refund based on carry-backs) is amended to read as follows: "If the claim for credit or refund relates to an overpayment attributable to a net operating loss carry-back or to an unused excess profits credit carry-back, in lieu of the three-year period of limitation prescribed in paragraph (1), the period shall be that period which ends with the expiration of the fifteenth day of the thirty-ninth month following the end of the taxable year of the net operating loss or the unused excess profits credit which results in such carry-back, or the period prescribed in paragraph (3) in respect of such taxable year, whichever expires later."

(2) **TAXABLE YEARS TO WHICH APPLICABLE.**—The amendment made by this subsection shall be applicable to claims for credit or refund with respect to taxable years beginning after December 31, 1940.

(f) **DEFICIENCIES ATTRIBUTABLE TO CARRY-BACKS.**—

(1) Section 276 (d) is amended to read as follows:

"(d) **NET OPERATING LOSS CARRY-BACKS AND UNUSED EXCESS PROFITS CREDIT CARRY-BACKS.**—In the case of a deficiency attributable to the application to the taxpayer of a net operating loss carry-back or an unused excess profits credit carry-back, including deficiencies which may be assessed pursuant to the provisions of section 3780 (b) or (c), such deficiency may be assessed—

"(1) in case a return was required under subchapter E of chapter 2 for the taxable year of the net operating loss or unused excess profits credit resulting in the carry-back, at any time before the expiration of the period within which (under section 275 or subsection (a) or (b) of this section) a deficiency (with respect to tax imposed either by chapter 1 or by subchapter B or E of chapter 2) for such taxable year (whichever is the longer period) may be assessed; or

"(2) in case a return was not required under subchapter E of chapter 2 for the taxable year of the net operating loss or unused

Post, p. 570.

56 Stat. 900.
26 U. S. C., Supp.
IV, § 710 (c) (2).

53 Stat. 4.
26 U. S. C. §§ 1-396;
Supp. IV, §§ 3-421.
Ante, p. 518 *et seq.*;
p. 557 *et seq.*; *post*, pp.
670, 673.

Ante, p. 524.

Ante, p. 525.

Ante, p. 522.

54 Stat. 975.
26 U. S. C. §§ 710-
752; Supp. IV, §§ 710-
783.
Ante, pp. 519, 568.
53 Stat. 86.
26 U. S. C. § 275.

53 Stat. 4, 111; 54
Stat. 975.
26 U. S. C. §§ 1-396,
600-604, 710-752; Supp.
IV, §§ 3-421, 600-605,
710-783.
Supra; *post*, p. 574.

53 Stat. 86.
26 U. S. C. § 275.

53 Stat. 4, 104, 111.
26 U. S. C. §§ 1-396,
500-604; Supp. IV, §§
3-421, 500-605.
Ante, p. 518 *et seq.*;
p. 557 *et seq.*; *post*, pp.
574, 670, 673.

53 Stat. 19; 56 Stat.
806.
26 U. S. C., Supp.
IV, § 26 (e).
53 Stat. 863.
26 U. S. C., Supp.
IV, § 13 (a) (2).
Ante, pp. 519, 568.
Supra.

55 Stat. 693.
26 U. S. C., Supp.
IV, § 15 (a).
Supra.

53 Stat. 19.
26 U. S. C., Supp.
IV, § 26 (b).
Ante, pp. 519, 568.
Supra.

53 Stat. 35; 56 Stat.
807.
26 U. S. C., Supp.
IV, § 102 (d) (1).

53 Stat. 56.
26 U. S. C., Supp.
IV, § 131 (b).

53 Stat. 72.
26 U. S. C., Supp.
IV, § 204 (a) (2).

53 Stat. 18, 19.
26 U. S. C., Supp.
IV, § 26 (a), (b).
Supra.

Infra.

excess profits credit resulting in the carry-back, at any time before the expiration of the period within which (under section 275 or subsection (a) or (b) of this section) a deficiency (with respect to tax imposed either by chapter 1 or by subchapter A or B of chapter 2) for such taxable year (whichever is the longer period) may be assessed."

(2) **EFFECTIVE DATE.**—The amendment made by this subsection shall be applicable with respect to all taxable years beginning after December 31, 1940.

(g) **TECHNICAL AMENDMENTS.**—Effective with respect to taxable years beginning after December 31, 1945—

(1) Section 26 (e) (relating to the credit for income subject to the excess profits tax) is repealed.

(2) Section 13 (a) (2) (defining "normal tax net income") is amended by striking out "minus the credit for income subject to the tax imposed by Subchapter E of Chapter 2 provided in section 26 (e) and".

(3) Section 15 (a) (defining "corporation surtax net income") is amended (A) by striking out "minus the credit for income subject to the tax imposed by Subchapter E of Chapter 2 provided in section 26 (e) and"; and (B) by striking out "(computed by limiting such credit to 85 per centum of the net income reduced by the credit for income subject to the tax imposed by Subchapter E of Chapter 2 in lieu of 85 per centum of the adjusted net income so reduced)".

(4) Section 26 (b) (relating to the credit for dividends received) is amended by striking out "reduced by the credit for income subject to the tax imposed by Subchapter E of Chapter 2 provided in subsection (e)".

(5) Section 102 (d) (1) (defining terms for the purposes of the tax imposed by section 102) is amended by striking out subparagraph (D) thereof.

(6) Section 131 (b) (prescribing certain limitations on the foreign-tax credit) is amended by striking out paragraph (3) thereof.

(7) Section 204 (a) (2) (relating to foreign mutual insurance companies other than life or marine) is amended to read as follows:

"(2) **NORMAL-TAX AND CORPORATION SURTAX NET INCOME OF FOREIGN INSURANCE COMPANIES OTHER THAN LIFE OR MUTUAL AND FOREIGN MUTUAL MARINE.**—In the case of a foreign insurance company (other than a life or mutual insurance company) and a foreign mutual marine insurance company and a foreign mutual fire insurance company described in paragraph (1) of this subsection, the normal tax net income shall be the net income from sources within the United States minus the credit provided in section 26 (a) and the credit provided in section 26 (b), and the corporation surtax net income shall be the net income from sources within the United States minus the credit provided in section 26 (b)."

(h) **FISCAL YEAR TAXPAYERS.**—For taxable years beginning in 1945 and ending in 1946, see section 131.

Part III—Fiscal Year Taxpayers

SEC. 131. FISCAL YEAR TAXPAYERS.

56 Stat. 837; 58 Stat.
32.
26 U. S. C., Supp.
IV, § 108.

(a) **INCOME TAXES.**—Section 108 of the Internal Revenue Code is amended by striking out "(c)" at the beginning of subsection (c) and inserting in lieu thereof "(d)", and by inserting after subsection (b) the following:

"(c) TAXABLE YEARS BEGINNING IN 1945 AND ENDING IN 1946.—In the case of a taxable year beginning in 1945 and ending in 1946, the tax imposed by sections 11, 12, 13, 14, 15, and 400 shall be an amount equal to the sum of—

53 Stat. 5; 55 Stat. 689.
26 U. S. C. §§ 11-15; Supp. IV, §§ 11-15, 400.
Ante, pp. 557, 558, 560, 568, 570.

"(1) that portion of a tentative tax, computed as if the law applicable to taxable years beginning on January 1, 1945, were applicable to such taxable year, which the number of days in such taxable year prior to January 1, 1946, bears to the total number of days in such taxable year, plus

"(2) that portion of a tentative tax, computed as if the law applicable to years beginning on January 1, 1946, were applicable to such taxable year, which the number of days in such taxable year after December 31, 1945, bears to the total number of days in such taxable year.

(b) EXCESS PROFITS TAX.—

(1) IN GENERAL.—Section 710 (a) (imposing the excess profits tax) is amended by inserting at the end thereof the following:

54 Stat. 975.
26 U. S. C., Supp. IV, § 710 (a).

"(7) TAXABLE YEARS BEGINNING IN 1945 AND ENDING IN 1946.—In the case of a taxable year beginning in 1945 and ending in 1946, the tax shall be an amount equal to that portion of a tentative tax, computed as if the law applicable to taxable years beginning on January 1, 1945, were applicable to such taxable year, which the number of days in such taxable year prior to January 1, 1946, bears to the total number of days in such taxable year."

(2) TECHNICAL AMENDMENTS.—

(A) Section 2 (a) of the Tax Adjustment Act of 1945 (relating to the specific exemption) is repealed as of the date of its enactment.

Ante, p. 517.

(B) Section 710 (b) (1) (relating to the specific exemption) is restored to read as such paragraph read immediately prior to the enactment of the Tax Adjustment Act of 1945, to be effective, as so restored, as if section 2 (a) of the Tax Adjustment Act of 1945 had not been enacted.

54 Stat. 975.
26 U. S. C., Supp. IV, § 710 (b) (1).
Ante, p. 517.

Part IV—Veterans' and Servicemen's Provisions

SEC. 141. ADDITIONAL ALLOWANCE FOR MILITARY AND NAVAL PERSONNEL.

(a) IN GENERAL.—Section 22 (b) (13) (relating to the exclusion from gross income for military and naval personnel) is amended to read as follows:

56 Stat. 814.
26 U. S. C., Supp. IV, § 22 (b) (13).

"(13) ADDITIONAL ALLOWANCE FOR MILITARY AND NAVAL PERSONNEL.—

"(A) In the case of compensation received during any taxable year and before the termination of the present war as proclaimed by the President, for active service as a commissioned officer (or a commissioned warrant officer) in the military or naval forces of the United States during such war, or, in the case of a citizen or resident of the United States, as a member of the military or naval forces of any of the other United Nations during such war, so much of such compensation as does not exceed \$1,500.

"(B) Compensation received during any taxable year and before the termination of the present war as proclaimed by the President, for active service as a member below the grade of commissioned officer (or commissioned warrant officer) in the military or naval forces of the United States during such war."

Ante, p. 571.

(b) **TAXABLE YEARS TO WHICH APPLICABLE.**—Subparagraph (A) of section 22 (b) (13), as amended by subsection (a) of this section, shall be applicable with respect to taxable years beginning after December 31, 1942; subparagraph (B) thereof shall be applicable with respect to taxable years beginning after December 31, 1940.

53 Stat. 462.
26 U. S. C. § 3761;
Supp. IV, § 3761.

(c) **CREDITS OR REFUNDS FOR 1941 AND 1942.**—If at any time prior to January 1, 1947, the allowance of a credit or refund of an overpayment of the tax for any taxable year beginning after December 31, 1940, and before January 1, 1943, is otherwise prevented by the operation of any law or rule of law (other than section 3761, relating to compromises), a credit or refund of the overpayment of such tax to the extent that the overpayment is attributable to the enactment of this section may, nevertheless, be allowed or made if a claim therefor is filed before January 1, 1947.

SEC. 142. DEFERMENT OF CERTAIN TAXES OF VETERANS AND SERVICEMEN.

53 Stat. 467.
26 U. S. C. §§ 3790-
3802; Supp. IV, § 3790
et seq.
Post, p. 671.

(a) **IN GENERAL.**—Chapter 38 (miscellaneous provisions) is amended by inserting at the end thereof a new section reading as follows:

“SEC. 3808. DEFERMENT OF TAX ATTRIBUTABLE TO SERVICE PAY FOR COMMISSIONED SERVICE AND OF TAX ATTRIBUTABLE TO PRE-SERVICE EARNED INCOME.

“(a) **DEFINITIONS.**—As used in this section—

“Tax attributable
to service pay.”

“(1) **TAX ATTRIBUTABLE TO SERVICE PAY.**—The term ‘tax attributable to service pay’ means—

“(A) in the case of a war year for which the taxpayer had no gross income other than compensation for active service as a member of the military or naval forces of the United States, the tax imposed under chapter 1 for such year; or

“(B) in the case of a war year for which the taxpayer had gross income in addition to compensation for active service as a member of the military or naval forces of the United States, the excess of the tax imposed under chapter 1 for such year over the tax that would have been imposed if such compensation had been excluded from gross income;

53 Stat. 4.
26 U. S. C. §§ 1-396;
Supp. IV, §§ 3-421.
Ante, p. 518 *et seq.*;
p. 557 *et seq.*; *post*, pp.
670, 673.
Commissioned offi-
cer.

except that in the case of a commissioned officer (or a commissioned warrant officer) of the regular component of the Army, Navy, Marine Corps, or Coast Guard, such term shall not apply to any war year unless, at the time prescribed for the payment of the tax under chapter 1 for such year, a period of time was being disregarded under section 3804.

“(2) **WAR YEAR.**—The term ‘war year’—

“(A) when used with respect to the tax attributable to service pay means any taxable year beginning after December 31, 1939, and before January 1, 1947; and

“(B) when used with respect to the tax attributable to pre-service earned income means any taxable year beginning after December 31, 1939, but before January 1, 1942, and before the taxpayer entered upon active service as a member of the military or naval forces of the United States, but does not include any year unless part of the tax imposed by chapter 1 for such year became due and payable after the taxpayer entered upon such active service.

Supra.

“(3) **TAX ATTRIBUTABLE TO PRE-SERVICE EARNED INCOME.**—The term ‘tax attributable to pre-service earned income’ means the excess of the tax imposed by chapter 1 for any war year over the tax that would have been imposed for such year if there had been excluded from the net income for such year the amount of

56 Stat. 961.
26 U. S. C., Supp.
IV, § 3804.
“War year.”

Supra.

the earned net income (as such term was defined in section 25 (a) (4) as in force with respect to such year, except that in computing such earned net income, compensation for active service in such forces shall be disregarded).

53 Stat. 18.
26 U. S. C. § 25 (a)
(4); Supp. IV, § 25 (a)
(4).

"(4) FIRST INSTALLMENT DATE.—The term 'first installment date' means May 15, 1946, in the case of taxpayers released from active duty in the military or naval forces of the United States prior to December 1, 1945; and in other cases June 15, 1947, or the fifteenth day of the sixth month which begins after the date of the taxpayer's release from active duty in such forces, whichever is the earlier; except that, if the first installment date with respect to any war year would otherwise occur earlier than the fifteenth day of the third month following the close of such year, the first installment date with respect to such year shall be the fifteenth day of such third month.

"(b) EXTENSION OF TIME FOR PAYMENT.—Upon application with respect to any war year, made prior to the first installment date, and under regulations prescribed by the Commissioner with the approval of the Secretary—

"(1) the time for payment of an amount of the tax under chapter 1 for such year which is equal to the tax attributable to service pay for such year and which has not been paid before the filing of such application; and

53 Stat. 4.
26 U. S. C. §§ 1-396;
Supp. IV, §§ 3-421.
Ante, p. 518 *et seq.*;
p. 557 *et seq.*; *post*, pp.
670, 673.

"(2) the time for the payment of an amount of the tax under chapter 1 for such year which is equal to the tax attributable to pre-service earned income for such year and which has not been paid before the filing of such application, shall, in lieu of the time otherwise applicable, be as follows: one-twelfth thereof on the first installment date and an additional twelfth thereof every three months thereafter until such tax is paid.

"(c) SUSPENSION OF PERIOD OF LIMITATION.—The running of the period of limitation provided in section 276 (c) (relating to the collection of the tax after assessment) in respect of any tax the time for the payment of which is prescribed under subsection (b), shall be suspended for the period beginning with the date of the filing of the application under such subsection and ending six months after the date prescribed therein for the payment of the last installment of such tax.

53 Stat. 37.
26 U. S. C. § 276 (c).

"(d) ESTIMATED TAX.—If the taxpayer is eligible for the benefits of subsection (b) with respect to any war year—

"(1) for the purposes of the application of section 58 with respect to such year, compensation for active service as a member of the military or naval forces of the United States may be disregarded in determining the gross income reasonably expected for such year, and in determining the estimated tax for such year; and

57 Stat. 141.
26 U. S. C., Supp.
IV, § 58.
Ante, p. 559.

"(2) for the purposes of section 294 (d) the tax for such year shall be determined as if such compensation were excluded from gross income.

58 Stat. 37.
26 U. S. C., Supp.
IV, § 294 (d).

This subsection shall not apply with respect to a taxpayer for any war year who at the time prescribed for making the declaration of estimated tax for such year is a commissioned officer (or a commissioned warrant officer) of the regular component of the Army, Navy, Marine Corps, or Coast Guard."

Commissioned officer.

(b) REFUND OF INTEREST PAID.—Any interest paid prior to the date of the enactment of this Act with respect to tax attributable to service pay for any war year, or with respect to tax attributable to pre-service earned income for any war year, shall be credited or

refunded if claim therefor is filed with the Commissioner prior to January 1, 1947.

Part V—Miscellaneous

SEC. 151. REPORTS OF REFUNDS AND CREDITS TO JOINT COMMITTEE ON INTERNAL REVENUE TAXATION.

Ante, p. 523.

Ante, p. 522.

Ante, p. 526.

Section 3777 (c) (relating to refunds and credits with respect to tentative carry-back adjustments) is amended by striking out in the heading "Carry-Back", and by inserting after "section 3780 (b)" the following: "or under section 124 (k)".

SEC. 152. EXTENSION OF TREATMENT OF INCOME RESULTING FROM DISCHARGE OF INDEBTEDNESS.

53 Stat. 875; 56 Stat. 811, 812.
26 U. S. C., Supp. IV, § 22 (b) (9), (10).

Section 22 (b) (9) and (10) (relating to the exclusion of income from the discharge of indebtedness) are amended by striking out "1945" in each of such paragraphs and inserting in lieu thereof "1946".

SEC. 153. LOST POSTWAR CREDIT BONDS.

50 Stat. 482.
31 U. S. C. § 738a(c).

56 Stat. 936.
26 U. S. C., Supp. IV, § 780.
Ante, p. 518.

Section 8 (c) of the Government Losses in Shipment Act, as amended, is amended by inserting before the period at the end thereof the following: "and also means any bond issued under section 780 of the Internal Revenue Code".

TITLE II—REPEAL OF CAPITAL STOCK TAX AND DECLARED VALUE EXCESS PROFITS TAX

SEC. 201. REPEAL OF CAPITAL STOCK TAX.

53 Stat. 169.
26 U. S. C. §§ 1200-1207; Supp. IV, § 1200 *et seq.*

Effective with respect to years ending after June 30, 1945, chapter 6 (imposing the capital stock tax) is repealed.

SEC. 202. REPEAL OF DECLARED VALUE EXCESS PROFITS TAX.

53 Stat. 111.
26 U. S. C. §§ 600-604; Supp. IV, § 600 *et seq.*
Infra.

Effective with respect to income-tax taxable years ending after June 30, 1946, subchapter B of chapter 2 (imposing the declared value excess profits tax) is repealed.

SEC. 203. ALTERNATIVE TAX WHERE WAR LOSS RECOVERIES INCLUDED IN NET INCOME.

53 Stat. 111.
26 U. S. C. § 600; Supp. IV, § 600.
Supra.

Effective with respect to income-tax taxable years ending after June 30, 1945, and before July 1, 1946, section 600 is amended by inserting before the first paragraph thereof "(a) IN GENERAL.—" and by inserting at the end of such section a new subsection reading as following:

"(b) ALTERNATIVE TAX.—If the net income for the taxable year includes any amount on account of war loss recoveries under section 127 (c), then, in lieu of the tax computed under subsection (a), the tax shall be a tax computed as follows:

"(1) An amount computed under subsection (a), after excluding from net income the amount of the war loss recoveries, plus

"(2) One and one-quarter per centum of the amount of the war loss recoveries included in the net income or of such portion of the net income as would be subject to the tax imposed by subsection (a) in the absence of this subsection, whichever is the lesser."

56 Stat. 853.
26 U. S. C., Supp. IV, § 127 (c).

TITLE III—EXCISE TAXES

SEC. 301. REPEAL OF USE TAX ON MOTOR VEHICLES AND BOATS.

Effective with respect to the period after June 30, 1946, chapter 33A (imposing a tax on the use of motor vehicles and boats) is repealed.

55 Stat. 723.
26 U. S. C., Supp.
IV, § 3540.

SEC. 302. FLOOR STOCKS REFUNDS AND TECHNICAL PROVISIONS RELATING TO REDUCTION OF COMMUNICATIONS TAX.

Chapter 9A (relating to war taxes and war tax rates) is amended by inserting at the end thereof the following:

54 Stat. 522.
26 U. S. C. § 1650;
Supp. IV, § 1650 *et seq.*

“SEC. 1656. FLOOR STOCKS REFUNDS ON DISTILLED SPIRITS, WINES, AND CORDIALS, AND FERMENTED MALT LIQUORS.

“(a) **IN GENERAL.**—With respect to any article upon which tax is imposed under section 2800, 3030, or 3150, upon which internal revenue tax (including floor stocks taxes) at the rate prescribed in section 1650 has been paid, and which, on the rate reduction date (as defined in section 1659), is held by any person and intended for sale or for use in the manufacture or production of any article intended for sale, there shall be credited or refunded to such person (without interest), subject to such regulations as may be prescribed by the Commissioner with the approval of the Secretary, an amount equal to the difference between the tax so paid and the tax that would have been paid if section 1650 and the 1944 floor stocks taxes had not been applicable, if claim for such credit or refund is filed with the Commissioner within thirty days after the rate reduction date.

53 Stat. 298, 347, 365.
26 U. S. C., Supp.
IV, §§ 2800, 3030, 3150.
58 Stat. 61.
26 U. S. C., Supp.
IV, § 1650.

“(b) **LIMITATIONS ON ELIGIBILITY FOR CREDIT OR REFUND.**—No person shall be entitled to credit or refund under subsection (a) unless (1) such person, for such period or periods both before and after the rate reduction date (but not extending beyond one year thereafter), as the Commissioner with the approval of the Secretary shall by regulations prescribe, makes and keeps, and files with the Commissioner, such records of inventories, sales, and purchases as may be prescribed in such regulations; and (2) such person establishes to the satisfaction of the Commissioner, with respect to each kind of article for which refund is claimed by him under this section, that on and after the rate reduction date and until the expiration of three months thereafter, the price at which articles of such kind were sold (until a number equal at least to the number on hand on the rate reduction date were sold) reflected, in such manner as the Commissioner may by regulations prescribe with the approval of the Secretary, the amount of the tax reduction.

“(c) All provisions of law, including penalties, applicable in respect of internal revenue taxes on distilled spirits, wines, liqueurs and cordials, imported perfumes containing distilled spirits, and fermented malt liquors shall, insofar as applicable and not inconsistent with this section, be applicable in respect of the credits and refunds provided for in this section to the same extent as if such credits or refunds constituted credits or refunds of such taxes.

“SEC. 1657. FLOOR STOCKS REFUNDS ON ELECTRIC LIGHT BULBS.

“(a) **IN GENERAL.**—With respect to any article upon which tax is imposed under section 3406 (a) (10), upon which internal revenue tax at the rate prescribed in section 1650 has been paid, and which, on the rate reduction date, is held by any person and intended for sale, or for use in the manufacture or production of any article intended for sale, there shall be credited or refunded to the manufacturer or producer of such article (without interest), subject to such regulations as may be prescribed by the Commissioner with the approval of the

55 Stat. 717.
26 U. S. C., Supp.
IV, § 3406 (a) (10).
58 Stat. 61.
26 U. S. C., Supp.
IV, § 1650.

Secretary, an amount equal to so much of the difference between the tax so paid and the tax that would have been paid if section 1650 had not been applicable, as has been paid by such manufacturer or producer to such person as reimbursement for the tax reduction on such articles, if claim for such credit or refund is filed with the Commissioner prior to the expiration of three months after the rate reduction date.

“(b) **LIMITATIONS ON ELIGIBILITY FOR CREDIT OR REFUND.**—No person shall be entitled to credit or refund under subsection (a) unless he has in his possession such evidence of the inventories with respect to which he has made the reimbursements described in subsection (a) as the regulations under subsection (a) prescribe.

“(c) All provisions of law, including penalties, applicable in respect of the tax imposed under section 3406 (a) (10) shall, insofar as applicable and not inconsistent with this section, be applicable in respect of the credits and refunds provided for in this section to the same extent as if such credits or refunds constituted credits or refunds of such taxes.

57 Stat. 717.
26 U. S. C., Supp.
IV, § 3406 (a) (10).

“SEC. 1658. TELEGRAPH, TELEPHONE, RADIO, AND CABLE FACILITIES.

“Notwithstanding section 1650, the rates therein prescribed with respect to the taxes imposed by section 3465 (a) (1), (2), and (3) shall continue to apply with respect to amounts paid pursuant to bills rendered prior to the rate reduction date; and, in the case of amounts paid pursuant to bills rendered on or after the rate reduction date for services for which no previous bill was rendered, the decreased rates shall apply except with respect to such services as were rendered more than two months before such date; and, in the case of services rendered more than two months before such date, the provisions of sections 1650 and 3465 in effect at the time such services were rendered shall be applicable to the amounts paid for such services.

58 Stat. 61.
26 U. S. C., Supp.
IV, § 1650.
53 Stat. 422.
26 U. S. C., Supp.
IV, § 3465 (a) (1), (2),
(3).

“SEC. 1659. DEFINITION OF ‘RATE REDUCTION DATE’.

“For the purposes of this chapter the term ‘rate reduction date’ means the first day of the first month which begins six months or more after the date of the termination of hostilities in the present war.”

SEC. 303. CONTINUATION OF POWER OF SECRETARY OF THE TREASURY TO AUTHORIZE GOVERNMENT EXEMPTION FROM CERTAIN EXCISE TAXES.

Section 307 (c) of the Revenue Act of 1943 (relating to power of Secretary with respect to Government exemption from certain excise taxes) is amended by striking out the last sentence thereof.

58 Stat. 66.
26 U. S. C., Supp.
IV, notes fol. §§ 2406,
2700, 3407, 3411, 3442,
3443, 3460, 3466, 3469,
3475.

TITLE IV—SOCIAL SECURITY TAXES

SEC. 401. AUTOMATIC INCREASE IN 1946 RATE NOT TO APPLY.

(a) Clauses (1) and (2) of section 1400 of the Federal Insurance Contributions Act (Internal Revenue Code, sec. 1400) are amended to read as follows:

“(1) With respect to wages received during the calendar years 1939, 1940, 1941, 1942, 1943, 1944, 1945, and 1946, the rate shall be 1 per centum.

“(2) With respect to wages received during the calendar years 1947 and 1948, the rate shall be 2½ per centum.”

(b) Clauses (1) and (2) of section 1410 of such Act (Internal

53 Stat. 175.
26 U. S. C., Supp.
IV, § 1400.

53 Stat. 176.
26 U. S. C., Supp.
IV, § 1410.

Revenue Code, sec. 1410) are amended to read as follows:

"(1) With respect to wages paid during the calendar years 1939, 1940, 1941, 1942, 1943, 1944, 1945, and 1946, the rate shall be 1 per centum.

"(2) With respect to wages paid during the calendar years 1947 and 1948, the rate shall be $2\frac{1}{2}$ per centum."

Approved November 8, 1945, 5:17 p.m.

[CHAPTER 454]

AN ACT

To provide for covering into the Treasury of the Philippines certain Philippine funds in the Treasury of the United States.

November 8, 1945
[S. 1281]
[Public Law 215]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That notwithstanding any other provision of law, the proceeds of the excise taxes imposed by section 2470 of the Internal Revenue Code, and of the import taxes imposed by sections 2490 and 2491 of the Internal Revenue Code, heretofore or hereafter collected, which but for the enactment of this Act would have been required to be held in separate or special funds and paid into the Treasury of the Philippines, together with any moneys which but for the enactment of this Act would be authorized to be appropriated in accordance with section 503 of the Sugar Act of 1937, as amended, including the unexpended balance of the amount subsequently appropriated under Public Law 371, Seventy-seventh Congress, and any accruals of any of the foregoing, shall be immediately paid into the general funds of the Treasury of the Philippines, to be used for the benefit of the people and government of the Philippine Islands as they may by law provide.

Approved November 8, 1945.

Philippine Islands.
Covering into Philippine treasury of certain funds.
53 Stat. 264.
26 U. S. C. § 2470; Supp. IV, § 2470.
53 Stat. 267.
26 U. S. C. §§ 2490, 2491.

50 Stat. 915.
7 U. S. C. § 1173; Supp. IV, § 1173.
55 Stat. 855.

[CHAPTER 456]

AN ACT

To amend the Civil Service Retirement Act approved May 29, 1930, as amended, in order to protect the retirement rights of persons who leave the service to enter the armed forces of the United States.

November 9, 1945
[H. R. 3256]
[Public Law 216]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 5 of the Civil Service Retirement Act of May 29, 1930, as amended, is amended by adding after the second paragraph thereof a new paragraph as follows:

"No officer or employee to whom this Act applies who during the period of any war, or of any national emergency as proclaimed by the President or declared by the Congress, has left or leaves his position to enter the armed forces of the United States shall be considered as separated from such position for the purposes of this Act by reason of his service with the armed forces of the United States. This paragraph shall not be so construed as to prevent the payment of refunds as provided by section 7 (a) or 12 (b) of this Act."

SEC. 2. Sections 4, 6, 7, 9, 10, and 12 of the Civil Service Retirement Act of May 29, 1930, as amended, are amended by striking out the words "June 30 of each year" wherever they appear in such sections, and inserting in lieu thereof the words "December 31 of each year": *Provided*, That interest shall not be compounded as of December 31, 1945.

Civil Service Retirement Act of 1930, amendments.
46 Stat. 472.
5 U. S. C. § 707.
Post, p. 621.

Retirement rights of employees who enter armed forces.

Refunds.
46 Stat. 474, 476.
5 U. S. C., Supp. IV, §§ 733, 724.

46 Stat. 471.
5 U. S. C. § 698 *et seq.*; Supp. IV, § 698 *et seq.*