

## Public Law 320

## CHAPTER 680

## AN ACT

August 9, 1955  
[H. R. 3908]

To provide for the regulation of fares for the transportation of schoolchildren in the District of Columbia.

D. C. transportation.  
Fares for school-children.

47 Stat. 759.  
D. C. Code 44-214 note.

46 Stat. 1419.  
D. C. Code 44-214.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That notwithstanding provisions of the joint resolution entitled "Joint resolution to authorize the merger of street-railway corporations operating in the District of Columbia, and for other purposes", approved January 14, 1933, and the provisions of the unification agreement incorporated therein, and notwithstanding the provisions of the Act entitled "An Act to provide for the transportation of schoolchildren in the District of Columbia at a reduced fare", approved February 25, 1931, the Public Utilities Commission of the District of Columbia shall fix the rate of fare for transportation by street railway and bus of schoolchildren going to and from public, parochial, or like schools in the District of Columbia at not more than one-half the cash fare established from time to time by the Public Utilities Commission for regular route transportation within the District of Columbia, and shall establish rules and regulations governing the use thereof. No fares for schoolchildren shall be available to persons over eighteen years of age.

Approved August 9, 1955.

## Public Law 321

## CHAPTER 681

## AN ACT

August 9, 1955  
[H. R. 4394]

To amend section 3401 of the Internal Revenue Code of 1954.

Income tax.  
Collection at  
source on wages.  
68A Stat. 455.  
26 USC 3401.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subdivision (a) of section 3401 of the Internal Revenue Code of 1954 is amended to read as follows:

**"SEC. 3401. DEFINITIONS.**

"(a) **WAGES.**—For purposes of this chapter, the term 'wages' means all remuneration (other than fees paid to a public official) for services performed by an employee for his employer, including the cash value of all remuneration paid in any medium other than cash; except that such term shall not include remuneration paid—

"(1) for active service as a member of the Armed Forces of the United States performed in a month for which such member is entitled to the benefits of section 112; or

"(2) for agricultural labor (as defined in section 3121 (g)); or

"(3) for domestic service in a private home, local college club, or local chapter of a college fraternity or sorority; or

"(4) for service not in the course of the employer's trade or business performed in any calendar quarter by an employee, unless the cash remuneration paid for such service is \$50 or more and such service is performed by an individual who is regularly employed by such employer to perform such service. For purposes of this paragraph, an individual shall be deemed to be regularly employed by an employer during a calendar quarter only if—

"(A) on each of some 24 days during such quarter such individual performs for such employer for some portion of the day service not in the course of the employer's trade or business; or

“(B) such individual was regularly employed (as determined under subparagraph (A)) by such employer in the performance of such service during the preceding calendar quarter; or

“(5) for services by a citizen or resident of the United States for a foreign government or an international organization; or

“(6) for services performed by a nonresident alien individual, other than—

“(A) a resident of a contiguous country who enters and leaves the United States at frequent intervals; or

“(B) a resident of Puerto Rico if such services are performed as an employee of the United States or any agency thereof; or

“(7) for such services, performed by a nonresident alien individual who is a resident of a contiguous country and who enters and leaves the United States at frequent intervals, as may be designated by regulations prescribed by the Secretary or his delegate; or

“(8) (A) for services for an employer (other than the United States or any agency thereof)—

“(i) performed by a citizen of the United States if, at the time of the payment of such remuneration, it is reasonable to believe that such remuneration will be excluded from gross income under section 911; or

“(ii) performed in a foreign country or in a possession of the United States by such a citizen if, at the time of the payment of such remuneration, the employer is required by the law of any foreign country or possession of the United States to withhold income tax upon such remuneration; or

“(B) for services for an employer (other than the United States or any agency thereof) performed by a citizen of the United States within a possession of the United States (other than Puerto Rico), if it is reasonable to believe that at least 80 percent of the remuneration to be paid to the employee by such employer during the calendar year will be for such services; or

“(C) for services for an employer (other than the United States or any agency thereof) performed by a citizen of the United States within Puerto Rico, if it is reasonable to believe that during the entire calendar year the employee will be a bona fide resident of Puerto Rico; or

“(9) for services performed by a duly ordained, commissioned, or licensed minister of a church in the exercise of his ministry or by a member of a religious order in the exercise of duties required by such order; or

“(10) (A) for services performed by an individual under the age of 18 in the delivery or distribution of newspapers or shopping news, not including delivery or distribution to any point for subsequent delivery or distribution; or

“(B) for services performed by an individual in, and at the time of, the sale of newspapers or magazines to ultimate consumers, under an arrangement under which the newspapers or magazines are to be sold by him at a fixed price, his compensation being based on the retention of the excess of such price over the amount at which the newspapers or magazines are charged to him, whether or not he is guaranteed a minimum amount of compensation for such services, or is entitled to be credited with the unsold newspapers or magazines turned back; or

“(11) for services not in the course of the employer's trade or

business, to the extent paid in any medium other than cash; or

“(12) to, or on behalf of, an employee or his beneficiary—

“(A) from or to a trust described in section 401 (a) which is exempt from tax under section 501 (a) at the time of such payment unless such payment is made to an employee of the trust as remuneration for services rendered as such employee and not as a beneficiary of the trust; or

“(B) under or to an annuity plan which, at the time of such payment, meets the requirements of section 401 (a) (3), (4), (5), and (6).”

Approved August 9, 1955.

## Public Law 322

## CHAPTER 682

August 9, 1955  
[H. R. 3990]

### AN ACT

To authorize the Secretary of the Interior to investigate and report to the Congress on projects for the conservation, development, and utilization of the water resources of Alaska.

Alaska.  
Water resources.

Reports.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, for the purpose of encouraging and promoting the development of Alaska, the Secretary of the Interior (hereinafter referred to as the “Secretary”) is authorized to make investigations of projects for the conservation, development, and utilization of the water resources of Alaska and to report thereon, with appropriate recommendations, from time to time, to the President and to the Congress.

SEC. 2. Prior to the transmission of any such report to the Congress, the Secretary shall transmit copies thereof for information and comment to the Governor of Alaska, or to such representative as may be named by him, and to the heads of interested Federal departments and agencies. The written views and recommendations of the aforementioned officials may be submitted to the Secretary within ninety days from the day of receipt of said proposed report. The Secretary shall immediately thereafter transmit to the Congress, with such comments and recommendations as he deems appropriate, his report, together with copies of the views and recommendations received from the aforementioned officials. The letter of transmittal and its attachments shall be printed as a House or Senate document.

Appropriation.

SEC. 3. There are hereby authorized to be appropriated not more than \$250,000 in any one fiscal year.

Approved August 9, 1955.

## Public Law 323

## CHAPTER 683

August 9, 1955  
[H. R. 4778]

### AN ACT

To provide for the purchase of bonds to cover civilian officers and employees and military personnel of the Federal Government.

61 Stat. 650.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 14 of title 6 of the United States Code is amended to read as follows:

“§14. Purchase of Bonds to Cover Officers and Employees of the Federal Government

“(a) Subject to subsection (b) of this section, the head of each department and independent establishment in the executive branch of the Federal Government shall obtain, under regulations which shall be