

Public Law 367

CHAPTER 805

AN ACT

August 11, 1955
[H.R. 7024]

To remove the manufacturers' excise tax from the sales of certain component parts for use in other manufactured articles, to confine to entertainment-type equipment the tax on radio and television apparatus, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That chapters 32 and 65 of the Internal Revenue Code of 1954 are amended as follows:

(a) Section 4218 (a) (1) of the Internal Revenue Code of 1954 is amended by inserting after "section 4141" the following: "and other than an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171)".

Manufacturers'
excise taxes.
68A Stat. 493,
791.
26 USC 4218.

(b) Section 4218 (b) of the Internal Revenue Code of 1954 is amended to read as follows:

"(b) EXCEPTION.—This section shall not apply with respect to the use by the manufacturer, producer, or importer of an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171, if such part, accessory, component, or lens is used by him as material in the manufacture or production of, or as a component part of, any article."

(c) The first two sentences of section 4220 of the Internal Revenue Code of 1954 are amended to read as follows:

26 USC 4220.

"Under regulations prescribed by the Secretary or his delegate, no tax under this chapter shall be imposed with respect to the sale of—

"(1) any article (other than an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171)—

"(A) for use by the vendee as material in the manufacture or production of, or as a component part of, an article enumerated in this chapter; or

"(B) for resale by the vendee for such use by his vendee, if such article is in due course so resold; or

"(2) an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171—

"(A) for use by the vendee as material in the manufacture or production of, or as a component part of, any article; or

"(B) for resale by the vendee for such use by his vendee, if such article is in due course so resold.

For purposes of this chapter, the manufacturer or producer to whom an article is sold under paragraph (1) (A) or (2) (A) or resold under paragraph (1) (B) or (2) (B) shall be considered the manufacturer or producer of such article."

(d) Section 4113 of the Internal Revenue Code of 1954 is hereby repealed.

Repeal.
26 USC 4113.

(e) Section 4112 of the Internal Revenue Code of 1954 is amended—

26 USC 4112.

(A) by striking out the heading to such section and inserting in lieu thereof the following:

"SEC. 4112. DEFINITION OF REFRIGERATOR COMPONENTS.;"

(B) by striking out "(a) REFRIGERATOR COMPONENTS.—"; and

(C) by striking out subsection (b) thereof.

(f) The table of sections to part I of subchapter B of chapter 32 of the Internal Revenue Code of 1954 is amended—

(A) by striking out "Definitions" and inserting in lieu thereof "Definition of refrigerator components"; and

(B) by striking out "Sec. 4113. Exemptions for manufacturers."

26 USC 4063.

(g) Section 4063 (b) of the Internal Revenue Code of 1954 is amended—

(A) by striking out "or parts or accessories" in the first sentence thereof; and

(B) by striking out ", or parts or accessories" in the second sentence thereof.

26 USC 6416.

(h) Section 6416 (b) (3) (A) of the Internal Revenue Code of 1954 is amended by inserting after "section 4141" the following: "and other than an automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171".

(i) Section 6416 (b) (3) of the Internal Revenue Code of 1954 is amended by changing subparagraph (B) thereof to read as follows:

"(B) An automobile part or accessory taxable under section 4061 (b), a refrigerator component taxable under section 4111, a radio or television component taxable under section 4141, or a camera lens taxable under section 4171, purchased by a manufacturer or producer and used by him as material in the manufacture of, production of, or as a component part of, any article."

26 USC 4141.

SEC. 2. RADIO AND TELEVISION RECEIVING SETS AND COMPONENT PARTS.—(a) Section 4141 of the Internal Revenue Code of 1954 is amended by inserting at the end thereof a new sentence as follows: "Except in the case of radio and television components and phonograph records, the tax imposed by this section shall apply only to articles of the entertainment type."

Repeal.
26 USC 4143,
6416.

(b) Sections 4143 and 6416 (b) (2) (G) of the Internal Revenue Code of 1954 are hereby repealed.

(c) The table of sections to part I of subchapter C of chapter 32 of the Internal Revenue Code of 1954 is amended by striking out

"Sec. 4143. Exemptions for sales to United States."

SEC. 3. EFFECTIVE DATE.—The amendments made by the first section and section 2 of this Act shall take effect on the first day of the first month which begins more than ten days after the date of the enactment of this Act. Notwithstanding the preceding sentence—

(1) the repeal of section 6416 (b) (2) (G) of the Internal Revenue Code of 1954 shall apply only with respect to articles sold by the manufacturer, producer, or importer on or after the first day of the first month which begins more than 10 days after the date of the enactment of this Act, and

(2) section 6416 (b) (3) (B) of the Internal Revenue Code of 1954, as amended by subsection (i) of the first section of this Act, shall apply with respect to articles used on or after such first day by the manufacturer or producer as material in the manufacture of, production of, or as a component part of, another article.

26 USC 534.

SEC. 4. Subsection (e) of section 534 of the Internal Revenue Code of 1954 (relating to burden of proof in certain proceedings relating to imposition of accumulated earnings tax) is hereby amended to read as follows:

"(e) APPLICATION OF SECTION.—

"(1) Notwithstanding any other provision of law, this section shall apply with respect to taxable years to which this subchapter applies and (except as provided in paragraph (2)) to taxable

years to which the corresponding provisions of prior revenue laws apply.

"(2) In the case of a notice of deficiency for a taxable year to which this subchapter does not apply, this section shall apply only in the case of proceedings tried on the merits after the date of the enactment of this paragraph."

SEC. 5. Subsection (b) of section 534 of such Code (relating to notification by Secretary) is hereby amended by adding at the end thereof the following new sentence: "In the case of a notice of deficiency to which subsection (e) (2) applies and which is mailed on or before the 30th day after the date of the enactment of this sentence, the notification referred to in the preceding sentence may be mailed at any time on or before such 30th day."

Approved August 11, 1955.

Public Law 368

CHAPTER 806

AN ACT

August 11, 1955
[H.R. 6600]

To amend section 303 of the Career Compensation Act of 1949, to authorize travel and transportation allowances, and transportation of dependents and of baggage and household effects to the homes of their selection for certain members of the uniformed services, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 303 (a) of the Career Compensation Act of 1949 (63 Stat. 813) is amended by inserting the following sentence immediately after the first sentence thereof: "Under uniform regulations prescribed by the Secretaries concerned, a member of the uniformed services who—

Uniformed services.
Travel and transportation.
37 USC 253.

"(1) is retired for physical disability or placed upon the temporary disability retired list; or

"(2) is retired with pay for any other reason, or is discharged with severance pay, immediately following at least eight years of continuous active duty (no single break therein of more than ninety days);

may select his home for the purposes of the travel and transportation allowances payable under this subsection."

SEC. 2. Section 303 (c) of the Career Compensation Act of 1949 (63 Stat. 814) is amended by inserting the following sentences at the end thereof: "Under uniform regulations prescribed by the Secretaries concerned, a member of the uniformed services who—

"(1) is retired for physical disability or placed on the temporary disability retired list; or

"(2) is retired with pay for any other reason, or is discharged with severance pay, immediately following at least eight years of continuous active duty (no single break therein of more than ninety days);

is entitled to transportation for his dependents and for his baggage and household effects to the home selected for allowance purposes under subsection (a) of this section."

SEC. 3. This Act shall be effective from April 1, 1951. No additional amount may be paid to members of the uniformed services as a result of enactment of this amendatory Act unless travel to such selected home be performed on or prior to April 28, 1953, or within one year after such retirement, placement upon the temporary disability retired list, or discharge, whichever is later.

Effective date.

Approved August 11, 1955.