

(d) if, in the case of a parent's insurance benefit, the person referred to in paragraph (b) was not entitled to the benefit referred to in such paragraph, or

(e) if, in the case of a benefit referred to in paragraph (b), no person was entitled to a parent's insurance benefit for such subsequent month on the basis of such wages and self-employment income.

Approved August 30, 1957.

Public Law 85-239

AN ACT

August 30, 1957
[H. R. 8892]

To amend the Internal Revenue Code of 1954 to extend the time within which a minister may elect coverage as a self-employed individual for social security purposes and to permit such a minister to include, for social security purposes, the value of meals and lodging furnished him for the convenience of his employer and the rental value of the parsonage furnished to him, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 1402 (e) (2) of the Internal Revenue Code of 1954 (relating to time for filing waiver certificates in the case of ministers, members of religious orders, and Christian Science practitioners) is amended (1) by inserting "whichever of the following dates is later: (A)" after "on or before", and (2) by inserting "; or (B) the due date of the return (including any extension thereof) for his second taxable year ending after 1956" before the final period.

Internal Revenue
Code of 1954,
amendments.
Ministers.
68 Stat. 1088.

(b) Section 1402 (e) (3) of such code (relating to effective date of certificate) is amended by adding at the end thereof the following: "Notwithstanding the first sentence of this paragraph:

68 Stat. 1089.

"(A) A certificate filed by an individual after the date of the enactment of this subparagraph but on or before the due date of the return (including any extension thereof) for his second taxable year ending after 1956 shall be effective for the first taxable year ending after 1955 and all succeeding taxable years.

"(B) If an individual filed a certificate on or before the date of the enactment of this subparagraph which (but for this subparagraph) is effective only for the third or fourth taxable year ending after 1954 and all succeeding taxable years, such certificate shall be effective for his first taxable year ending after 1955 and all succeeding taxable years if such individual files a supplemental certificate after the date of the enactment of this subparagraph and on or before the due date of the return (including any extension thereof) for his second taxable year ending after 1956.

"(C) A certificate filed by an individual after the due date of the return (including any extension thereof) for his second taxable year ending after 1956 shall be effective for the taxable year immediately preceding the taxable year with respect to which it is filed and all succeeding taxable years."

(c) If a certificate filed pursuant to section 1402 (e) (3) (A) or (B) of the Internal Revenue Code of 1954 after the due date of the return (including any extension thereof) for any taxable year is effective for such taxable year or for any preceding taxable year, then—

(1) for purposes of computing interest, the due date for the payment of the increase in tax for such taxable year or years resulting from the filing of such certificate shall be the last day of the sixth month following the month in which such certificate is filed;

(2) the statutory period for the assessment of any deficiency attributable to such increase in tax shall not expire before the expiration of 3 years from such due date; and

(3) for purposes of section 6651 of such Code (relating to addition to tax for failure to file tax return), the amount of tax required to be shown on the return shall not include such increase in tax.

68A Stat. 821.

68 Stat. 1089.

SEC. 2. Section 1402 (e) of the Internal Revenue Code of 1954 is amended by adding at the end thereof the following new paragraph:

“(4) TREATMENT OF CERTAIN REMUNERATION PAID IN 1955 AND 1956 AS WAGES.—If—

“(A) in 1955 or 1956 an individual was paid remuneration for service described in section 3121 (b) (8) (A) which was erroneously treated by the organization employing him (under a certificate filed by such organization pursuant to section 3121 (k) or the corresponding section of prior law) as employment (within the meaning of chapter 21), and

“(B) on or before the date of the enactment of this paragraph the taxes imposed by sections 3101 and 3111 were paid (in good faith and upon the assumption that the insurance system established by title II of the Social Security Act had been extended to such service) with respect to any part of the remuneration paid to such individual for such service,

then the remuneration with respect to which such taxes were paid, and with respect to which no credit or refund of such taxes (other than a credit or refund which would be allowable if such service had constituted employment) has been obtained on or before the date of the enactment of this paragraph, shall be deemed (for purposes of this chapter and chapter 21) to constitute remuneration paid for employment and not net earnings from self-employment.”

SEC. 3. Remuneration which is deemed under section 1402 (e) (4) of the Internal Revenue Code of 1954 to constitute remuneration for employment shall also be deemed, notwithstanding sections 210 (a) (8) (A) and 211 (c) of the Social Security Act, to constitute remuneration for employment (and not net earnings from self-employment) for purposes of title II of such Act.

SEC. 4. (a) Section 3, and the amendments made by the first section of this Act, shall apply with respect to monthly insurance benefits under title II of the Social Security Act for months beginning after, and lump sum death payments under such title in the case of deaths occurring after, the date of the enactment of this Act.

(b) Notwithstanding subsection (a), in the case of any individual who—

(1) (A) has remuneration which is deemed, by reason of section 3, to constitute remuneration for employment for purposes of title II of the Social Security Act, or

(B) has income which constitutes net earnings from self-employment under such title by reason of the filing of a certificate pursuant to section 1402 (e) (3) (A) or (B) of the Internal Revenue Code of 1954, and

(2) was entitled to monthly insurance benefits under title II of the Social Security Act for the month in which this Act is enacted,

68A Stat. 422; 68 Stat. 1091.

70 Stat. 845.

49 Stat. 622; 70 Stat. 807.
42 USC 401-421.

42 USC 410, 411.

42 USC 401-421.

section 3 and the amendments made by the first section of this Act shall apply with respect to monthly insurance benefits under such title based on his wages and self-employment income only if he, or any other person entitled to monthly insurance benefits under such title on the basis of such wages and self-employment income, files, on or after the date of enactment of this Act, an application for recomputation by reason of this Act. Such recomputation shall be made in the manner provided in title II of the Social Security Act as in effect at the time of the last previous computation or recomputation of such individual's primary insurance amount and as though the application therefor was filed in the month in which the application for such last previous computation or recomputation was filed. No recomputation under this subsection shall be regarded as a recomputation under section 215 (f) of the Social Security Act. Any such recomputation shall be effective for and after the twelfth month before the month in which the application therefor is filed, but in no case for any month which begins on or prior to the date of the enactment of this Act. Any such recomputation shall be effective only if it results in a higher primary insurance amount.

42 USC 415.

(c) The preceding provisions of this section shall not render erroneous any monthly insurance benefits under title II of the Social Security Act for the month in which this Act is enacted or any prior month.

SEC. 5. (a) Paragraph (7) of section 211 (a) of the Social Security Act is amended to read as follows:

42 USC 411.

"(7) An individual who is a duly ordained, commissioned, or licensed minister of a church or a member of a religious order shall compute his net earnings from self-employment derived from the performance of service described in subsection (c) (4) without regard to section 107 (relating to rental value of parsonages) and section 119 (relating to meals and lodging furnished for the convenience of the employer) of the Internal Revenue Code of 1954 and, in addition, if he is a citizen of the United States performing such service as an employee of an American employer (as defined in section 210 (e)) or as a minister in a foreign country who has a congregation which is composed predominantly of citizens of the United States, without regard to section 911 (relating to earned income from sources without the United States) and section 931 (relating to income from sources within possessions of the United States) of such Code."

42 USC 410.

(b) Paragraph (8) of section 1402 (a) of the Internal Revenue Code of 1954 is amended to read as follows:

"(8) an individual who is a duly ordained, commissioned, or licensed minister of a church or a member of a religious order shall compute his net earnings from self-employment derived from the performance of service described in subsection (c) (4) without regard to section 107 (relating to rental value of parsonages) and section 119 (relating to meals and lodging furnished for the convenience of the employer) and, in addition, if he is a citizen of the United States performing such service as an employee of an American employer (as defined in section 3121 (h)) or as a minister in a foreign country who has a congregation which is composed predominantly of citizens of the United States, without regard to section 911 (relating to earned income from sources without the United States) and section 931 (relating to income from sources within possessions of the United States)."

Effective date.
42 USC 403.

(c) The amendments made by this section shall, except for purposes of section 203 of the Social Security Act, apply only with respect to taxable years ending on or after December 31, 1957. For purposes of section 203 of the Social Security Act (other than subsection (a)), such amendments shall apply only with respect to taxable years beginning after the month in which this Act is enacted. For purposes of subsection (a) of such section 203, such amendments shall apply only with respect to taxable years of the insured individual ending on or after December 31, 1957.

Approved August 30, 1957.

Public Law 85-240

AN ACT

August 30, 1957
[S. 1574]

To provide for the disposal of certain Federal property in the Coulee Dam and Grand Coulee areas, to provide assistance in the establishment of a municipality incorporated under the laws of Washington, and for other purposes.

Coulee Dam Com-
munity Act of 1957.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That it is the purpose of this Act, in connection with the Columbia Basin project, to authorize the disposal of certain Federal property in the unincorporated area in the State of Washington commonly known as the town of Coulee Dam in order that the United States may withdraw from the ownership and operation of the town and that the people of that area may enjoy self-government, to facilitate the establishment by them of a municipal corporation under the laws of the State of Washington, and to authorize the disposal of certain Federal property in and in the immediate vicinity of the city of Grand Coulee, Washington, in order to reduce restrictions on the growth thereof. The area herein referred to as the town area is situated in Douglas, Grant, and Okanogan counties and comprises the following lands:

Douglas County: Township 29 north, range 30 east, Willamette meridian, section 36, lots 2, 3, 4, east half southwest quarter and southwest quarter southwest quarter.

Grant County: Township 28 north, range 30 east, Willamette meridian, section 1, lots 1 and 2.

Okanogan County: Township 28 north, range 31 east, Willamette meridian, section 6, lot 3.

Township 29 north, range 30 east, Willamette meridian, section 36, lots 5, 6, and 7.

Township 29 north, range 31 east, Willamette meridian, section 30, all those portions of the south 300 feet of lot 4 included within the area conveyed to the United States of America by warranty deed executed by Charles E. Hopkins, and others on September 11, 1946, and recorded in book 107 of deeds at pages 175 and 176 under Okanogan County auditor's file numbered 346972 and by warranty deed executed by Charles E. Hopkins, and others on November 7, 1945, recorded in book 102 of deeds at pages 441 and 442 under Okanogan County auditor's file numbered 339487.

Section 31, west half northeast quarter, southeast quarter northwest quarter, east half southwest quarter, northwest quarter northwest quarter southeast quarter, and lots 1, 2, 3, and 4.

The area herein referred to as the Grand Coulee area is situated in Grant County and comprises the following lands:

Township 28 north, range 30 east, Willamette meridian, section 11, south one-half north one-half, north one-half southwest one-quarter, northeast one-quarter southeast one-quarter.