

Public Law 91-677

AN ACT

To amend provisions of the Internal Revenue Code of 1954 relating to the treatment of certain losses sustained by reason of the confiscation of property by the government of Cuba.

January 12, 1971
[H. R. 18693]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) section 165(i) of the Internal Revenue Code of 1954 (relating to certain property confiscated by the government of Cuba) is amended—

Taxes.
Property losses,
confiscation by
Cuba.
78 Stat. 237.
26 USC 165.

(1) by striking out “or (2)” in paragraph (1) (B);

(2) by striking out “on December 31, 1958” in the last sentence of paragraph (1) and inserting in lieu thereof the following: “on one or more days in the period beginning on December 31, 1958, and ending on May 16, 1959”;

(3) by amending paragraph (2) (B) to read as follows:

“(B) For purposes of subsection (a), the fair market value of property held by the taxpayer on one or more days during the period beginning on December 31, 1958, and ending on May 16, 1959, to which paragraph (1) applies, on the day on which the loss of such property was sustained, shall be its fair market value on the first day in such period on which the property was held by the taxpayer.”; and

(4) by striking out paragraph (3) thereof.

(b) (1) The amendments made by subsection (a) of this section shall apply in respect of losses sustained in taxable years ending after December 31, 1958.

Effective date.

(2) Notwithstanding any law or rule of law, refund or credit of any overpayment attributable to the amendments made by subsection (a) may be made or allowed if claim therefor is filed after the date of the enactment of this Act and before July 1, 1971. No interest shall be allowed with respect to any such refund or credit for any period before January 1, 1972.

Overpayment,
refund or credit.

SEC. 2. (a) Section 172(b)(1)(D) of the Internal Revenue Code of 1954 (relating to carryover of foreign expropriation losses) is amended by inserting before the semicolon at the end thereof the following: “(or, with respect to that portion of the net operating loss for such year attributable to a Cuban expropriation loss, to each of the 15 taxable years following the taxable year of such loss)”.

78 Stat. 47.

(b) Section 172(b)(2) of such Code (relating to amount of carrybacks and carryovers) is amended by inserting before the period at the end thereof the following: “, and, if a portion of a foreign expropriation loss for the loss year is attributable to a Cuban expropriation loss, such portion shall be considered to be a separate foreign expropriation loss for such year to be applied after the other portion of such foreign expropriation loss”.

76 Stat. 889.

(c) Section 172(k) of such Code (relating to definition of foreign expropriation loss) is amended by adding at the end thereof the following new paragraph:

78 Stat. 48.

“(3) The term ‘Cuban expropriation loss’ means, for any taxable year, a foreign expropriation loss sustained by reason of the expropriation, intervention, seizure, or similar taking of property, before January 1, 1964, by the government of Cuba, any political subdivision thereof, or any agency or instrumentality of the foregoing. The portion of a foreign expropriation loss for any taxable year attributable to a Cuban expropriation loss is the amount of the Cuban expropriation loss.”

“Cuban expro-
priation loss.”

Effective date.

(d) The amendments made by this section shall apply in respect of foreign expropriation losses sustained in taxable years ending after December 31, 1958.

Approved January 12, 1971.

Public Law 91-678

AN ACT

To provide floor stock refunds in the case of cement mixers.

January 12, 1971
[H. R. 17658]

Taxes.
Cement mixers,
floor stock
refunds.

Ante, pp. 1743,
1843.

Conditions.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) where before January 1, 1970, and after June 30, 1968, any cement mixer subject to the tax imposed by section 4061 of the Internal Revenue Code of 1954 during such period, had been sold by the manufacturer, producer, or importer, and on January 1, 1970, was held by a dealer and had not been used and was intended for sale, there shall be credited or refunded (without interest) to the manufacturer, producer, or importer an amount equal to the tax paid by the manufacturer, producer, or importer on his sale of the cement mixer, if—

(1) claim for such credit or refund is filed with the Secretary of the Treasury or his delegate on or before the last day of the ninth calendar month beginning after the date of enactment of this Act, based upon a request submitted to the manufacturer, producer, or importer on or before the last day of the sixth calendar month beginning after the date of enactment of this Act, by the dealer who held the cement mixer in respect of which the credit or refund is claimed; and

(2) on or before the last day of the ninth calendar month beginning after the date of enactment of this Act, reimbursement has been made to the dealer by the manufacturer, producer, or importer for the tax on the cement mixer or written consent has been obtained from the dealer to allowance of the credit or refund.

Definitions.

(b) For the purposes of this section—

(1) The term “cement mixer” means—

(A) any article designed (i) to be placed or mounted on an automobile truck chassis or truck trailer or semitrailer chassis and (ii) to be used to process or prepare concrete, and

(B) parts or accessories designed primarily for use on or in connection with an article described in subparagraph (A).

(2) The term “dealer” includes a wholesaler, jobber, distributor, or retailer.

(3) A cement mixer shall be considered as “held by a dealer” if title thereto has passed to the dealer (whether or not delivery to him has been made), and if for purposes of consumption title to the cement mixer or possession thereof had not at any time prior to January 1, 1970, been transferred to any person other than a dealer. For purposes of subsection (a) and notwithstanding the preceding sentence, a cement mixer shall be considered as “held by a dealer” and not to have been used, although possession of such cement mixer has been transferred to another person, if such cement mixer is returned to the dealer in a transaction under which any amount paid or deposited by the transferee for such cement mixer is refunded to him (other than amounts retained by the dealer to cover damage to the cement mixer). Moreover, such a cement mixer shall be considered as held by a dealer on January 1, 1970, even though it was in the possession of the transferee on such day, if it was returned to the dealer (in a transaction described in the preceding sentence) before January 31, 1970.