

Public Law 91-693

AN ACT

To amend the Internal Revenue Code of 1954 with respect to certain statutory mergers.

January 12, 1971
[H. R. 19562]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 368 (a) (2) of the Internal Revenue Code of 1954 (definitions relating to corporate reorganizations) is amended by adding at the end thereof the following new subparagraph:

Taxes.
Corporations,
statutory mergers.
68A Stat. 120;
82 Stat. 1310.
26 USC 368.

“(E) STATUTORY MERGER USING VOTING STOCK OF CORPORATION CONTROLLING MERGED CORPORATION.—A transaction otherwise qualifying under paragraph (1) (A) shall not be disqualified by reason of the fact that stock of a corporation (referred to in this subparagraph as the ‘controlling corporation’) which before the merger was in control of the merged corporation is used in the transaction, if—

“(i) after the transaction, the corporation surviving the merger holds substantially all of its properties and of the properties of the merged corporation (other than stock of the controlling corporation distributed in the transaction); and

“(ii) in the transaction, former shareholders of the surviving corporation exchanged, for an amount of voting stock of the controlling corporation, an amount of stock in the surviving corporation which constitutes control of such corporation.”

(b) Section 368(b) of such Code (relating to parties to corporate reorganizations) is amended by adding at the end thereof the following new sentence: “In the case of a reorganization qualifying under subsection (a) (1) (A) by reason of subsection (a) (2) (E), the term ‘party to a reorganization’ includes the controlling corporation referred to in subsection (a) (2) (E).”

(c) The amendments made by this section shall apply to statutory mergers occurring after December 31, 1970.

Effective date.

Approved January 12, 1971.

Public Law 91-694

AN ACT

To continue until the close of June 30, 1971, the International Coffee Agreement Act of 1968.

January 12, 1971
[H. R. 19567]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 302 of the International Coffee Agreement Act of 1968 (19 U.S.C. 1356f) is amended by striking out “October 1, 1970” and inserting in lieu thereof “July 1, 1971”.

International
Coffee Agreement
Act of 1968,
continuation.
82 Stat. 1348.

SEC. 2. The amendment made by the first section of this Act shall take effect as of October 1, 1970.

Effective date.

SEC. 3. (a) On or before April 1, 1971, the President shall submit to Congress a report with respect to (1) the benefits of the International Coffee Agreement to United States consumers, and (2) the effect of such Agreement on international trade.

Report to
Congress.

Approved January 12, 1971.