

Public Law 93-483

AN ACT

October 26, 1974
[H. R. 12035]

To suspend until the close of June 30, 1975, the duty on certain carboxymethyl cellulose salts, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the Appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately after item 905.31 the following new item :

Carboxymethyl cellulose salts, duty suspension; Internal Revenue Code of 1954, amendments,

" 907.60	Carboxymethyl cellulose sodium salts of a purity not exceeding 98 percent nor less than 95 percent by weight on a dry weight basis (provided for in item 465.87, part 8A, schedule 4).....	Free	No change	On or before 6/30/75.	"
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SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the day after the date of the enactment of this Act.

Effective date.
19 USC 1202
note.

SEC. 3. (a) Section 2055(e) of the Internal Revenue Code of 1954 (relating to the disallowance of deductions in certain cases) is amended by adding at the end thereof the following new paragraph:

Disallowance of deductions.
26 USC 2055.

"(3) In the case of a will executed before September 21, 1974, or a trust created before such date, if a deduction is not allowable at the time of the decedent's death because of the failure of an interest in property which passes from the decedent to a person, or for a use, described in subsection (a), to meet the requirements of subparagraph (A) of paragraph (2) of this subsection, and if the governing instrument is amended or conformed on or before December 31, 1975, or, if later, on or before the 30th day after the date on which judicial proceedings begun on or before December 31, 1975 (which are required to amend or conform the governing instrument), become final, so that the interest is in a trust which is a charitable remainder annuity trust, a charitable remainder unitrust (described in section 664), or a pooled income fund (described in section 642(c)(5)), a deduction shall nevertheless be allowed. The Secretary or his delegate may, by regulation, provide for the application of the provisions of this paragraph to trusts whose governing instruments are amended or conformed in accordance with this paragraph, and such regulations may provide for any adjustments in the application of the provisions of section 508 (relating to special rules with respect to section 501(c)(3) organizations), subchapter J (relating to estates, trusts, beneficiaries, and decedents), and chapter 42 (relating to private foundations), to such trusts made necessary by the application of this paragraph. If, by the due date for the filing of an estate tax return (including any extension thereof), the interest is in a charitable trust which, upon allowance of a deduction, would be described in section 4947(a)(1), or the interest passes directly to a person or for a use described in subsection (a), a deduction shall be allowed as if the governing instrument was amended or conformed under this paragraph. If the amendment or conformation of the governing instrument is made after the due date for the filing of the estate tax return (including any extension thereof), the deduction shall be allowed upon the filing of a timely claim for credit or refund (as provided for in section 6511) of an overpayment resulting from the application of this paragraph. In the case of a credit or refund as a result

26 USC 664.

26 USC 642.

26 USC 508.

26 USC 501.

26 USC 641.

26 USC 4940.

26 USC 4947.

26 USC 6511.

of an amendment or conformation made pursuant to this paragraph, no interest shall be allowed for the period prior to the expiration of the 180th day after the date on which the claim for credit or refund is filed."

26 USC 2055
note.

(b) The amendment made by subsection (a) shall apply with respect to estates of decedents dying after December 31, 1969.

SEC. 4. APPLICATION OF SECTION 117 TO CERTAIN EDUCATION PROGRAMS FOR MEMBERS OF THE UNIFORMED SERVICES.

26 USC 117
note.

(a) **IN GENERAL.**—Any amount received from appropriated funds as a scholarship, including the value of contributed services and accommodations, by a member of a uniformed service who is receiving training under the Armed Forces Health Professions Scholarship Program (or any other program determined by the Secretary of the Treasury or his delegate to have substantially similar objectives) from an educational institution (as defined in section 151(e)(4) of the Internal Revenue Code of 1954) shall be treated as a scholarship under section 117 of such Code, whether that member is receiving training while on active duty or in an off-duty or inactive status, and without regard to whether a period of active duty is required of the member as a condition of receiving those payments.

26 USC 151.

26 USC 117.

(b) **DEFINITION OF UNIFORMED SERVICES.**—For purposes of this section, the term "uniformed service" has the meaning given it by section 101(3) of title 37, United States Code.

(c) **EFFECTIVE DATE.**—The provisions of this section shall apply with respect to amounts received during calendar years 1973, 1974, and 1975.

26 USC 832.

SEC. 5. Section 832(e) of the Internal Revenue Code of 1954 (relating to special deduction and income account in the case of certain insurance companies) is amended by inserting after paragraph (5) the following new paragraph:

"(6) **LEASE GUARANTY INSURANCE; INSURANCE OF STATE AND LOCAL OBLIGATIONS.**—In the case of any taxable year beginning after December 31, 1970, the provisions of this subsection shall also apply in all respects to a company which writes lease guaranty insurance or insurance on obligations the interest on which is excludable from gross income under section 103. In applying this subsection to such a company, any reference to mortgage guaranty insurance contained in this section shall be deemed to be a reference also to lease guaranty insurance and to insurance on obligations the interest on which is excludable from gross income under section 103; and in the case of insurance on obligations the interest on which is excludable from gross income under section 103, the references in paragraph (1) to 'losses resulting from adverse economic cycles' include losses from declining revenues related to such obligations (as well as losses resulting from adverse economic cycles), and the time specified in subparagraph (A) of paragraph (5) shall be the twentieth preceding taxable year."

26 USC 103.

Losses resulting from adverse economic cycles.

26 USC 62.

SEC. 6. (a) Section 62 of the Internal Revenue Code of 1954 is amended by inserting after paragraph (10) the following new paragraph:

"(11) **PENALTIES FORFEITED BECAUSE OF PREMATURE WITHDRAWAL OF FUNDS FROM TIME SAVINGS ACCOUNTS OR DEPOSITS.**—The deductions allowed by section 165 for losses incurred in any transaction entered into for profit, though not connected with a trade or business to the extent that such losses include amounts forfeited to a

26 USC 165.

bank, mutual savings bank, savings and loan association, building and loan association, cooperative bank or homestead association as a penalty for premature withdrawal of funds from a time savings account, certificate of deposit, or similar class of deposit.”

(b) The amendment made by this section applies to taxable years beginning after December 31, 1972.

26 USC 62 note.

Approved October 26, 1974.

Public Law 93-484

AN ACT

To suspend for a temporary period the import duty on certain horses, and for other purposes.

October 26, 1974
[H. R. 13631]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subpart B of part 1 of the appendix to the Tariff Schedules of the United States (19 U.S.C. 1202) is amended by inserting immediately before item 903.90 the following new items:

Horses, duty suspension; Social Security Act, amendments.

“		Horses, other than for immediate slaughter (provided for in part 1, schedule 1):					
	903.50	Valued not over \$150 per head (item 100.73).....	Free	No change	On or before 6/30/76		
	903.51	Valued over \$150 per head (item 100.74) ..	Free	No change	On or before 6/30/76	”.	

SEC. 2. The amendment made by the first section of this Act shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act.

Effective date.
19 USC 1202
note.

SEC. 3. (a) Section 1878(f) of the Social Security Act is amended to read as follows:

Provider Reimbursement Review Board, decisions, review.
42 USC 1395oo.

“(f) (1) A decision of the Board shall be final unless the Secretary, on his own motion, and within 60 days after the provider of services is notified of the Board’s decision, reverses, affirms, or modifies the Board’s decision. Providers shall have the right to obtain judicial review of any final decision of the Board, or of any reversal, affirmation, or modification by the Secretary, by a civil action commenced within 60 days of the date on which notice of any final decision by the Board or of any reversal, affirmation, or modification by the Secretary is received. Such action shall be brought in the district court of the United States for the judicial district in which the provider is located or in the District Court for the District of Columbia and shall be tried pursuant to the applicable provisions under chapter 7 of title 5, United States Code, notwithstanding any other provisions in section 205.

5 USC 701.
42 USC 405.
Judicial review.

“(2) Where a provider seeks judicial review pursuant to paragraph (1), the amount in controversy shall be subject to annual interest beginning on the first day of the first month beginning after the 180-day period as determined pursuant to subsection (a) (3) and equal to the rate of return on equity capital established by regulation pursuant to section 1861(v) (1) (B) and in effect at the time the civil action authorized under paragraph (1) is commenced, to be awarded by the reviewing court in favor of the prevailing party.

42 USC 1395x.

“(3) No interest awarded pursuant to paragraph (2) shall be deemed income or cost for the purposes of determining reimbursement due providers under this Act.”

(b) The amendment made by subsection (a) shall be applicable to cost reports of providers of services for accounting periods ending on or after June 30, 1973.

42 USC 1395oo
note.