

[CHAPTER 290]

AN ACT

Relating to credits against the Victory tax.

October 28, 1943
[H. R. 3381]
[Public Law 178]

Internal Revenue
Code, amendments.
56 Stat. 885.
26 U. S. C., Supp. II,
§ 453.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 453 of the Internal Revenue Code (relating to the credit against the Victory tax) is amended to read as follows:

"SEC. 453. CREDITS AGAINST VICTORY TAX.

"(a) ALLOWANCE OF CREDIT.—There shall be allowed as a credit against the Victory tax for each taxable year—

"(1) SINGLE PERSONS.—In the case of a single person, a married person not living with husband or wife, or an estate or trust, an amount equal to 25 per centum of the Victory tax or \$500, whichever is the lesser.

"(2) HEADS OF FAMILIES.—In the case of the head of a family, an amount equal to 40 per centum of the Victory tax or \$1,000, whichever is the lesser.

"(3) MARRIED PERSONS.—In the case of a married person living with husband or wife—

"(A) if separate returns are filed by each spouse an amount equal to 40 per centum of the Victory tax or \$500, whichever is the lesser, or

"(B) if a separate return is filed by one spouse and no return is filed by the other spouse, or if a joint return is filed under section 51 (b), only one credit not exceeding 40 per centum of the Victory tax or \$1,000, whichever is the lesser.

"(4) DEPENDENTS.—For each dependent specified in section 25 (b), excluding as a dependent, in the case of a head of a family, one who would be excluded under section 25 (b) (2) (B), an amount equal to 2 per centum of the Victory tax or \$100, whichever is the lesser.

"(b) CHANGE OF STATUS.—If for any taxable year the status of the taxpayer (other than a taxpayer who makes his return and pays his tax under Supplement T) with respect to his marital relationship or with respect to his dependents, changed during the taxable year, the amount of the credit provided by this section for such taxable year shall be apportioned, under rules and regulations prescribed by the Commissioner with the approval of the Secretary, in accordance with the number of months before and after such change. For the purpose of such apportionment a fractional part of a month shall be disregarded unless it amounts to more than half a month in which case it shall be considered as a month.

"(c) STATUS OF SUPPLEMENT T TAXPAYER.—If for any taxable year a taxpayer makes his return and pays his tax under Supplement T, for the purpose of the credit provided by this section, his status for such year with respect to his marital relationship or with respect to his dependents shall be determined in accordance with the provisions of section 401."

SEC. 2. (a) Section 454 of the Internal Revenue Code (relating to the post-war credit of Victory tax) is hereby repealed.

(b) Section 34 of the Internal Revenue Code is amended by striking out "sections 453 and 454" and inserting in lieu thereof "section 453".

(c) Section 456 of the Internal Revenue Code (relating to the 90 per centum limit on the tax imposed by chapter 1) is amended to read as follows:

53 Stat. 27.
26 U. S. C. § 51 (b).

53 Stat. 18; 55 Stat.
697.
26 U. S. C. § 25 (b);
Supp. II, § 25 (b).

55 Stat. 689.
26 U. S. C., Supp. II,
§§ 400-404.

55 Stat. 689.
26 U. S. C., Supp. II,
§§ 400-404.

55 Stat. 691.
26 U. S. C., Supp. II,
§ 401.

56 Stat. 886.
26 U. S. C., Supp. II,
§ 454.
Ante, p. 139.

56 Stat. 887.
26 U. S. C., Supp. II,
§ 456.

“SEC. 456. LIMITATION ON TAX.

“The tax imposed by section 450 (Victory tax), computed without regard to the credits provided in sections 453 and 466 (e), shall not exceed the excess of 90 per centum of the net income of the taxpayer for the taxable year over the tax imposed by this chapter, computed without regard to section 450 and without regard to the credits provided in sections 31, 32, 35, and 466 (e).”

56 Stat. 884, 890.
26 U. S. C., Supp. II,
§§ 450, 466 (e).
Ante, p. 584.

53 Stat. 24.
26 U. S. C., §§ 31, 32.
Ante, p. 139.

SEC. 3. The amendments made by this Act shall be applicable with respect to taxable years beginning after December 31, 1942.

Approved October 28, 1943.

[CHAPTER 293]

AN ACT

To provide for the removal of oysters from the waters of York River and Queen Creek, Virginia, affected by sewage disposal emanating from the construction battalion training camp, at Camp Peary, Virginia, and for other purposes.

November 4, 1943
[H. R. 2886]
[Public Law 179]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Navy is authorized and directed to investigate the extent of damage, actual or potential, to oysters in the waters of York River and Queen Creek, Virginia, resulting from sewage disposal emanating from the construction battalion training camp, at Camp Peary, Virginia, and to take such action as he may consider expedient to cause such oysters to be removed and transplanted into unpolluted waters of the vicinity, or otherwise to provide for their marketability for human consumption at the earliest lawful season: *Provided*, That there shall be no appropriation hereunder for liquidation of damages to owners or others.

York River and
Queen Creek, Va.
Damage to oysters.

SEC. 2. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this Act.

Appropriation au-
thorized.

Approved November 4, 1943.

[CHAPTER 294]

AN ACT

Relating to Government and other exemptions from the tax with respect to the transportation of property.

November 4, 1943
[H. R. 3538]
[Public Law 180]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 3475 (b) of the Internal Revenue Code (relating to the tax on the transportation of property) is amended to read as follows:

Internal Revenue
Code, amendment.
56 Stat. 980.
26 U. S. C., Supp. II,
§ 3475 (b).
Tax exemptions.

“(b) GOVERNMENT TRANSPORTATION.—The tax imposed under this section shall not apply to amounts paid for the transportation of property to or from the Government of the United States, or any State, Territory, or political subdivision thereof, or the District of Columbia, or to amounts paid to the Post Office Department for the transportation of property.”

SEC. 2. The amendment made by section 1 shall take effect with respect to amounts paid, on and after the first day of the first month which begins more than ten days after the date of the enactment of this Act, for the transportation of property on and after such first day.

Effective date.

Approved November 4, 1943.