

of the United States, unless such honorable discharge certificate shows on its face that such person may have been an alien at the time of its issuance.

"Defense contractor."

SEC. 2. As used in this Act the term "defense contractor" means an employer engaged in—

(1) the production, maintenance, or storage of arms, armament, ammunition, implements of war, munitions, machinery, tools, clothing, food, fuel, or any articles or supplies, or parts or ingredients of any articles or supplies; or

(2) the construction, reconstruction, repair, or installation of a building, plant, structure, or facility; under a contract with the United States or under any contract which the President, the Secretary of War, the Secretary of the Navy, or the United States Maritime Commission certifies to such employer to be necessary to the national defense.

Approved, June 22, 1942.

[CHAPTER 433]

AN ACT

To amend the District of Columbia Income Tax Act, as amended, and for other purposes.

June 22, 1942
[H. R. 6953]
[Public Law 621]

D. C. Income Tax Act, amendments.
53 Stat. 1087.
D. C. Code § 47-1502 (b).

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 2 (b) of the District of Columbia Income Tax Act, as amended, is amended to read as follows:

Ante, p. 42.
Provisos.

"(b) TAX ON CORPORATIONS.—There is hereby levied for each taxable year upon the taxable income from District of Columbia sources of every corporation, whether domestic or foreign (except those organizations expressly exempt under paragraph (d) of this section), a tax at the rate of 5 per centum thereof: *Provided, however,* That income derived from the procurement of orders for the sale of personal property by means of telephonic communication, written correspondence, or solicitation by salesmen in the District where such orders require acceptance without the District before becoming binding on the purchaser and seller and title to such property passes from the seller to the purchaser without the District is not from District of Columbia sources: *Provided further,* That income from the sale of personal property to the United States is not from District of Columbia sources, unless the taxpayer is engaged in business in the District and such property is delivered for use within said District."

Ante, p. 46.

SEC. 2. Section 46 (g) of the District of Columbia Income Tax Act, as amended, is amended to read as follows:

Penalty for failure to obtain license.

"(g) Any corporation receiving income from District sources or engaging in or carrying on any business in the District without first having obtained a license so to do, and any person engaging in or carrying on any business for or receiving income from District sources on behalf of a corporation not having a license so to do, shall, upon conviction thereof, be fined not more than \$300 for each and every failure, refusal, or violation, and each and every day that such failure, refusal, or violation continues shall constitute a separate and distinct offense. All prosecutions under this subsection shall be brought in the police court of the District on information by the corporation counsel or any of his assistants in the name of the District: *Provided, however,* That the provisions of this section shall not apply to mere collection by an agent of income of a corporation not having the license required hereby."

Proviso.

SEC. 3. Section 46 (h) of the District of Columbia Income Tax Act, as amended, is amended to read as follows:

“(h) The term ‘business’, as used in this Act, shall include the carrying on or exercising for gain or economic benefit, either direct or indirect, any trade, business, or commercial activity in the District: *Provided, however,* That such term shall not include the procurement of orders for the sale of personal property by means of telephonic communication, written correspondence, or solicitation by salesmen in the District where such orders require acceptance without the District before becoming binding on the purchaser and seller and title to such property passes from the seller to the purchaser without the District; nor the mere submission of bids or the mere acceptance of contracts for the sale of personal property to the United States.”

SEC. 4. (a) The amendment made by section 1 of this Act shall be effective with respect to taxable years beginning after December 31, 1941.

(b) The amendments made by sections 2 and 3 of this Act shall be effective as of January 1, 1942.

SEC. 5. Article III of title V of the District of Columbia Revenue Act of 1937, as amended, is further amended by adding thereto the following new section:

“SEC. 16. In all cases where the assessor claims that a decedent was domiciled in the District at the time of his death and the taxing authorities of a State or States make a similar claim with respect to their State or States, the assessor may, with the approval of the Commissioners, compromise and settle the taxes imposed by this title.”

SEC. 6. The amendment made by the section 5 of this Act shall apply to estates of decedents dying before or after its enactment.

Approved, June 22, 1942.

Ante, p. 46.

“Business.”

Proviso.
Designated transactions not included.

Effective dates of amendments.

Inheritance and estate taxes.
53 Stat. 1116.
D. C. Code §§ 47-1616 to 47-1620.
Ante, p. 47.
Conflicting claims as to domicile.

Estates of decedents.

[CHAPTER 434]

AN ACT

To amend an Act entitled “An Act to establish a uniform system of bankruptcy throughout the United States”, approved July 1, 1898, and Acts amendatory thereof and supplementary thereto.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 84 of chapter IX of the Act entitled “An Act to establish a uniform system of bankruptcy throughout the United States”, approved July 1, 1898, as amended, (U. S. C., 1940 edition, title XI, section 404), is amended to read as follows:

“SEC. 84. Jurisdiction conferred on any court by section 81 shall not be exercised by such court after June 30, 1946, except in respect of any proceeding initiated by filing a petition under section 83 (a) on or prior to June 30, 1946.”

Approved, June 22, 1942.

June 22, 1942
[H. R. 7066]
[Public Law 622]

Bankruptcy Act of 1898, amendment.
50 Stat. 659.

Termination of jurisdiction.
50 Stat. 654, 655.
11 U. S. C. §§ 401, 403 (a).

[CHAPTER 435]

JOINT RESOLUTION

To codify and emphasize existing rules and customs pertaining to the display and use of the flag of the United States of America.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the following codification of existing rules and customs pertaining to the display and use of the flag of the United States of America be, and it is hereby, established for the use of such civilians or civilian groups or organizations

June 22, 1942
[H. J. Res. 303]
[Public Law 623]

Flag of the U. S. A.
Display and use.
Post, p. 1074.