

reason of the amendment made by this section, no interest shall be allowed or paid with respect to the amount of such overpayment.

SEC. 3. The last sentence of section 22 (b) (9) and the last sentence of section 22 (b) (10) of the Internal Revenue Code (relating to exclusion of income from discharge of indebtedness) are hereby amended by striking out "1947" and inserting in lieu thereof "1949".

60 Stat. 749.  
26 U. S. C. § 22 (b) (9), (10).

Approved June 25, 1947.

[CHAPTER 144]

AN ACT

To amend section 115 of the Internal Revenue Code in respect of distributions by personal holding companies.

June 25, 1947  
[H. R. 468]  
[Public Law 113]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the last sentence of section 115 (a) of the Internal Revenue Code is amended to read as follows: "In the case of a corporation which, under the law applicable to the taxable year in which the distribution is made, is a personal holding company, or which, for the taxable year in respect of which the distribution is made under section 504 (c) or section 506 or a corresponding provision of a prior income-tax law, is a personal holding company under the law applicable to such taxable year, such term also means any distribution (whether or not a dividend as defined in the preceding sentence) to its shareholders, whether in money or in other property, to the extent of its subchapter A net income, less the sum of the following:

Internal Revenue Code, amendment.  
56 Stat. 895.  
26 U. S. C. § 115 (a).

53 Stat. 107, 108.  
26 U. S. C. §§ 504(c), 506.

- "(1) The net operating loss credit provided in section 26 (c) (1);
- "(2) The dividend carry-over provided in section 27 (c); and
- "(3) The deduction for amounts for retirement of indebtedness provided in section 504 (b)."

53 Stat. 19.  
26 U. S. C. § 26 (c)(1)  
53 Stat. 20.  
26 U. S. C. § 27 (c).  
53 Stat. 107.  
26 U. S. C. § 504 (b).

SEC. 2. The amendment made by section 1 shall be effective for all taxable years beginning after December 31, 1943.

SEC. 3. No interest shall be allowed or paid in respect of any overpayment of tax resulting from the foregoing amendment.

Approved June 25, 1947.

[CHAPTER 145]

AN ACT

To authorize payment of allowances to three inspectors of the Metropolitan Police force for the use of their privately owned motor vehicles, and for other purposes.

June 25, 1947  
[H. R. 1624]  
[Public Law 114]

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Commissioners of the District of Columbia are hereby authorized to allow not more than three inspectors of the Metropolitan Police force an allowance for privately owned automobiles used by the inspectors in the performance of official duties at not to exceed \$480 per annum for each automobile used during the fiscal years 1945 and 1946 and thereafter to pay to not more than three inspectors of the Metropolitan Police force who may be called upon to use privately owned automobiles in the performance of official duties for each automobile an allowance not to exceed \$480 per annum.

Approved June 25, 1947.

## [CHAPTER 146]

## AN ACT

June 25, 1947  
[H. R. 2368]  
[Public Law 115]

To amend paragraph 8 of part VII, Veterans Regulation Numbered 1 (a), as amended, to authorize an appropriation of \$3,000,000 as a revolving fund in lieu of \$1,500,000 now authorized, and for other purposes.

57 Stat. 44.  
38 U. S. C. note foll.  
§ 739, p. 4269.

Vocational rehabilitation.  
Appropriation authorized.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That paragraph 8 of part VII, Veterans Regulation Numbered 1 (a), as amended, is hereby amended to read as follows:

"8. There is hereby authorized to be appropriated, out of any money in the Treasury of the United States not otherwise appropriated, available immediately and until expended, the sum of \$3,000,000, to be utilized by the Veterans' Administration under such rules and regulations as the Administrator may prescribe, as a revolving fund for the purpose of making advancements, not exceeding \$100 in any case, to persons commencing or undertaking courses of vocational rehabilitation under this part, and advancement to bear no interest and to be reimbursed in such installments as may be determined by the Administrator by proper deductions from any future payments of compensation, pension, or retirement pay."

Approved June 25, 1947.

## [CHAPTER 147]

## AN ACT

June 25, 1947  
[H. R. 2872]  
[Public Law 116]

To amend further section 4 of the Public Debt Act of 1941, as amended, and clarify its application, and for other purposes.

Public Debt Act of 1941, amendment.

55 Stat. 9; 56 Stat. 190.  
31 U. S. C. § 742a.

Taxation of obligations.

56 Stat. 189.  
31 U. S. C. §§ 742a, 754b, 757b; 39 U. S. C. § 756a.

Exceptions.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 4 of the Public Debt Act of 1941 (Public, Numbered 7, Seventy-seventh Congress, first session), as amended by section 6 of the Public Debt Act of 1942 (Public, Numbered 510, Seventy-seventh Congress, second session), hereby is amended further to read as follows:

"SEC. 4. (a) Interest upon obligations, and dividends, earnings, or other income from shares, certificates, stock, or other evidences of ownership, and gain from the sale or other disposition of such obligations and evidences of ownership issued on or after the effective date of the Public Debt Act of 1942 by the United States or any agency or instrumentality thereof shall not have any exemption, as such, and loss from the sale or other disposition of such obligations or evidences of ownership shall not have any special treatment, as such, under the Internal Revenue Code, or laws amendatory or supplementary thereto; except that any such obligations which the United States Maritime Commission or the Federal Housing Administration had, prior to March 1, 1941, contracted to issue at a future date, shall when issued bear such tax-exemption privileges as were, at the time of such contract, provided in the law authorizing their issuance. For the purposes of this subsection a Territory, a possession of the United States, and the District of Columbia, and any political subdivision thereof, and any agency or instrumentality of any one or more of the foregoing, shall not be considered as an agency or instrumentality of the United States.

"(b) The provisions of this section shall, with respect to such obligations and evidences of ownership, be considered as amendatory of and supplementary to the respective Acts or parts of Acts authorizing the issuance of such obligations and evidences of ownership, as amended and supplemented.

"(c) Nothing contained herein shall be construed to amend or repeal sections 114 and 115 of the Revenue Act of 1941."

55 Stat. 697, 698.  
26 U. S. C. §§ 42, 117.

Approved June 25, 1947.