

AMENDING SECTION 124 OF THE INTERNAL REVENUE CODE

OCTOBER 15, 1941.—Committed to the Committee of the Whole House on the
state of the Union and ordered to be printed

Mr. DOUGHTON, from the Committee of Conference, submitted the
following

CONFERENCE REPORT

[To accompany H. J. Res. 235]

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 235) to amend section 124 of the Internal Revenue Code by extending the time for applications, and changing the procedure, for certification of national-defense facilities and contracts for amortization purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, and 5; and agree to the same.

R. L. DOUGHTON,
JOHN W. BOEHNE, Jr.,
ALLEN T. TREADWAY,
FRANK CROWTHER,
Managers on the part of the House.

WALTER F. GEORGE,
TOM CONNALLY,
ROBERT M. LA FOLLETTE, Jr.,
Managers on the part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the joint resolution (H. J. Res. 235) to amend section 124 of the Internal Revenue Code by extending the time for applications, and changing the procedure, for certification of national-defense facilities and contracts for amortization purposes, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment No. 1: Under existing law a taxpayer must secure a certificate that its facility is necessary in the interest of national defense in order to secure the amortization allowances provided therein. The House joint resolution provided that such certificates, to be issued either by the Secretary of War or the Secretary of the Navy, should be under such regulations as were to be prescribed by the Secretary of War and the Secretary of the Navy and subject to such policies and procedures as were to be prescribed from time to time by the President, or by such agency or officer as he might designate. The Senate amendment provided that such regulations were to be prescribed by the said Secretaries with the approval of the President. The House recedes.

Amendment No. 2: Existing law provides that applications for certificates thereunder must be filed before February 6, 1941, or within a prescribed 60-day period, whichever is later. The House joint resolution increased the 60-day period to 6 months but failed to change the alternate date of February 6, 1941. The Senate amendment extends such alternate date to December 1, 1941. The House recedes.

Amendment No. 3: This is a clarifying amendment which carries out the present interpretation of existing law by making it certain that contracts made before January 1, 1940, need not be examined. The House recedes.

Amendment No. 4: This amendment is similar to amendment No. 2 and merely extends the time for filing applications for certificates of Government protection and nonreimbursement from February 6, 1941, to December 1, 1941. The House recedes.

Amendment No. 5: This amendment is similar to amendment No. 1 and provides that reports of negotiating and contracting officers and certificates of adequate Government protection and certificates of nonreimbursement shall be issued under such regulations as may be prescribed from time to time by the Secretary of War and the Secretary of the Navy with the approval of the President. The House recedes.

R. L. DOUGHTON,
JOHN W. BOEHNE, Jr.,
ALLEN T. TREADWAY,
[FRANK CROWTHER,
Managers on the part of the House.