

## EXTEND THE GASOLINE TAX, ETC.

JUNE 1, 1933.—Ordered to be printed

Mr. DOUGHTON, from the committee of conference, submitted the following

### CONFERENCE REPORT

[To accompany H.R. 5040]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 5040) to extend the gasoline tax for 1 year, to modify postage rates on mail matter, and for other 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 and 2, and agree to the same.

Amendment numbered 3:

That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the Senate amendment insert the following:

*Sec. 6. (a) Effective September 1, 1933, section 616 of the Revenue Act of 1932 is amended to read as follows:*

*"SEC. 616. TAX ON ELECTRICAL ENERGY FOR DOMESTIC OR COMMERCIAL CONSUMPTION.—(a) There is hereby imposed upon electrical energy sold for domestic or commercial consumption and not for resale a tax equivalent to 3 per centum of the price for which so sold, to be paid by the vendor under such rules and regulations as the Commissioner, with the approval of the Secretary, shall prescribe. The sale of electrical energy to an owner or lessee of a building, who purchases such electrical energy for resale to the tenants therein, shall for the purposes of this section be considered as a sale for consumption and not for resale, but the resale to the tenant shall not be considered a sale for consumption.*

*"(b) The provisions of sections 619, 622, and 625 shall not be applicable with respect to the tax imposed by this section.*

*"(c) No tax shall be imposed under this section upon electrical energy sold to the United States or to any State or Territory, or political subdivision thereof, or the District of Columbia. The right to exemption under this subsection shall be evidenced in such manner as the Commissioner, with the approval of the Secretary, may, by regulation, prescribe."*

*(b) Despite the provisions of this section the tax imposed under section 616 of the Revenue Act of 1932 before its amendment by this section on electrical energy furnished before September 1, 1933, shall be imposed, collected, and paid in the same manner and shall be subject to the same provisions of law (including penalties) as if this section had not been enacted.*

And the Senate agree to the same.

R. L. DOUGHTON,  
SAM B. HILL,  
ALLEN T. TREADWAY,  
ISAAC BACHARACH,

*Managers on the part of the House.*

PAT HARRISON,  
WILLIAM H. KING,  
WALTER F. GEORGE,  
DAVID A. REED,

*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 bill (H.R. 5040) to extend the gasoline tax for one year, to modify postage rates on mail matter, and for other purposes, submit the following written statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

Amendment no. 1: This amendment strikes out the phrase "for experimental purposes" in the provisions relating to the elimination on July 1, 1933, of the additional rate on first-class matter mailed for local delivery. The House recedes.

Amendment no. 2: This amendment strikes out the provision of the House bill which transfers the electrical energy tax from the producer to the consumer and substitutes in lieu thereof a provision which exempts from taxation under the manufacturers' excise tax title of the Revenue Act of 1932 articles sold for use as fuel supplies, ships' stores, sea stores, or legitimate equipment on vessels of war, fishing or whaling vessels, or vessels engaged in foreign trade, trade between the Atlantic or Pacific ports of the United States, or between the United States and its possessions. The amendment also provides that articles manufactured or produced with the use of articles upon which the tax under the manufacturers' excise tax title has been paid upon importation, if laden as supplies on such vessels, shall be held to be exported for the purposes of allowance of drawback on such articles. The House recedes.

Amendment no. 3: This amendment imposes a tax on electrical energy sold on or after September 1, 1933, for domestic or commercial consumption of 2 percent of the price for which sold. This tax is to be paid by the vendor. No tax is to be imposed on the sale of such energy to the United States or to any State, Territory, or political subdivision thereof, or the District of Columbia.

The amendment also imposes a tax (with certain exemptions) of 1 percent of the amount paid for electrical energy for consumption other than domestic or commercial if such energy is furnished on or after September 1, 1933, and before July 1, 1934. This tax is to be paid by the person paying for such electrical energy and is to be collected by the vendor.

The amendment further provides that the provisions relating to both the tax on the vendor and the tax on the vendee shall not apply to publicly owned electric and power plants.

The amendment further provides that the tax under existing law on the payment for electrical energy for domestic or commercial consumption shall apply with respect to payment on or after September 1, 1933, for electrical energy furnished before that date.

The House recedes with an amendment imposing a tax on the vendor of 3 percent of the price for which electrical energy is sold for domestic or commercial consumption, effective September 1, 1933;

rather than the fifteenth day after the enactment of the act as proposed by the House. The amendment continues the present tax on the consumer until September 1 with appropriate provision for collection of tax on payments made on or after September 1 for electrical energy furnished before that date. The amendment omits the provision of the Senate amendment imposing a tax on the consumer of industrial energy. The section as agreed to in conference also omits the Senate amendment exempting publicly owned electric and power plants. The section as agreed to in conference also provides that in the case of electrical energy sold to an owner or lessee of a building for resale to his tenants the tax shall not be paid by the owner or lessee, but by his vendor.

R. L. DOUGHTON,  
SAM. B. HILL,  
ALLEN T. TREADWAY,  
ISAAC BACHARACH,  
*Managers on the part of the House.*

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