

## TAX RATE EXTENSION ACT OF 1958

JUNE 26, 1958.—Ordered to be printed

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

### CONFERENCE REPORT

[To accompany H. R. 12695]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 12695) to provide a one-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, 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 amendment of the Senate to the text of the bill 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. 4. REPEAL OF TAXES ON TRANSPORTATION OF PROPERTY.**

(a) *REPEAL.*—Effective as provided in subsection (c), part II (relating to tax on transportation of property) and part III (relating to tax on transportation of oil by pipeline) of subchapter C of chapter 33 of the Internal Revenue Code of 1954 are hereby repealed.

(b) *TECHNICAL AMENDMENTS.*—Effective as provided in subsection (c):

(1) *The table of subchapters for chapter 33 of the Internal Revenue Code of 1954 is amended by striking out*

*“Subchapter C. Transportation.”*

*and inserting in lieu thereof*

*“Subchapter C. Transportation of persons.”*

(2) *Subchapter C of chapter 33 of such Code is amended by striking out the table of parts for such subchapter and the heading of part I of such subchapter, and by striking out the heading of the subchapter and inserting in lieu thereof the following:*

*“Subchapter C—Transportation of Persons”*

(3) Section 4292 of such Code (relating to State and local governmental exemption) is amended to read as follows:

**“SEC. 4292. STATE AND LOCAL GOVERNMENTAL EXEMPTION.**

“Under regulations prescribed by the Secretary or his delegate, no tax shall be imposed under section 4251 or 4261 upon any payment received for services or facilities furnished to the Government of any State, Territory of the United States, or any political subdivision of the foregoing or the District of Columbia.”

(4) Section 6415 of such Code (relating to credits or refunds to persons who collected certain taxes) is amended by striking out “4271,” each place it appears therein.

(5) Section 6416 (a) of such Code (relating to credits or refunds of certain taxes on sales and services) is amended by striking out “or 4281”.

(6) Section 6416 (f) of such Code (relating to credit on returns) is amended by striking out “or section 4281”, and by striking out “by such chapter or section” and inserting in lieu thereof “by such chapter”.

(7) Section 7012 of such Code (cross references) is amended by striking out subsection (i) and by redesignating subsection (j) as subsection (i).

(8) Section 7272 (b) of such Code (relating to penalty for failure to register) is amended by striking out “4273”.

(c) **EFFECTIVE DATES.**—

(1) Except as provided in paragraph (2), the repeals and amendments made by subsections (a) and (b) shall apply only with respect to amounts paid on or after August 1, 1958.

(2) In the case of transportation with respect to which the second sentence of section 4281 of the Internal Revenue Code of 1954 applies, the repeals and amendments made by subsections (a) and (b) shall apply only if the transportation begins on or after August 1, 1958.

And the Senate agree to the same.

That the title of the bill be amended to read as follows: “An Act to provide a one-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and to provide for the repeal of the taxes on the transportation of property.”

W. D. MILLS,  
AIME J. FORAND,  
CECIL R. KING,  
DANIEL A. REED,  
RICHARD M. SIMPSON,

*Managers on the Part of the House.*

HARRY F. BYRD,  
ROBT. S. KERR,  
GEO. A. SMATHERS,  
EDWARD MARTIN,  
JOHN J. WILLIAMS,

*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. 12695) to provide a 1-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, submit the following statement in explanation of the effect of the action agreed upon by the conferees and recommended in the accompanying conference report:

The Senate amendment to the text of the bill added a new section providing for the repeal of the taxes on the transportation of property (including coal and oil by pipeline) and on the transportation of persons. Under the amendment, the repeal would be effective with respect to amounts paid on or after the first day of the first month which begins more than 10 days after the date of the enactment of the bill for, or in connection with, transportation which begins on or after such first day.

Under the conference agreement, the taxes on the transportation of property (including coal and oil by pipeline) are repealed, in general, effective with respect to amounts paid on or after August 1, 1958: Under the conference agreement, the existing tax on the transportation of persons is retained without change.

The Senate amendment to the title of the bill conformed the title to the Senate amendment to the text of the bill. Under the conference agreement the title of the bill is amended to read as follows:

An Act to provide a one-year extension of the existing corporate normal-tax rate and of certain excise-tax rates, and to provide for the repeal of the taxes on the transportation of property.

W. D. MILLS,  
AIME J. FORAND,  
CECIL R. KING,  
DANIEL A. REED,  
RICHARD M. SIMPSON,  
*Managers on the Part of the House.*