THE NATIONAL ARCHIVES OF THE UNITED STATES 1934

FEDERAL REGISTER

VOLUME 24 NUMBER 89

Washington, Thursday, May 7, 1959

Title 6—AGRICULTURAL CREDIT

Chapter IV—Commodity Stabilization Service and Commodity Credit Corporation, Department of Agriculture

SUBCHAPTER C—EXPORT PROGRAM REGULATIONS

[Announcement CN-EX-7]

PART 482—COTTON PRODUCTS EXPORT PROGRAM

Subpart—1959-60 Cotton Export Program—Payment-in-Kind

Sec.

482.201 General statement.
482.202 Definitions.
482.203 General conditions of eligibility.
482.204 Registration.
482.205 Cancellation of sale or failure to export.
482.206 Payment rate.
482.207 Amount due exporters.
482.208 Export conditions.
482.209 Application for cotton export payment.
482.210 Satisfactory evidence of exportation.
482.211 Cotton Export Payment Certificates.
482.212 Assignments.
482.213 Records and reports.
482.214 Amendment or termination.
482.215 Good faith.
482.216 Persons not eligible.

AUTHORITY: §§ 482.201 to 482.216 issued under sec. 4, 62 Stat. 1070, as amended; 15 U.S.C. 714b. Interpret or apply sec. 5, 62 Stat. 1072, sec. 203, 70 Stat. 183; 15 U.S.C. 714c, 7 U.S.C. 1853.

§ 482.201 General statement.

In order to encourage the movement of cotton by the commercial cotton trade into export channels, Commodity Credit Corporation (referred to in this subpart as "CCC") will carry out a Cotton Export Program (referred to in this subpart as the "program") under which payments in the form of certificates redeemable in cotton from CCC's stocks will be made to exporters in connection with the exportation during the 1959-60 cotton marketing year of upland cotton produced in the continental United States. The program will be administered through the CSS Commodity Office, Wirth Building, 120 Marais Street, New Orleans 16, Louisiana (referred to in this subpart as the "New Orleans office"). Additional information pertaining to the operation of the program may be obtained from the New Orleans office.

§ 482.202 Definitions.

(a) *Cotton.* "Cotton" means upland cotton grown in the continental United States of grades named in the Universal Standards for American Upland Cotton and having a staple length of 13/16-inch or longer: *Provided, however,* That reginned or repacked cotton as defined in regulations of the Department of Agriculture under the United States Cotton Standards Act (Service and Regulatory Announcement No. A.M.S. 153, Title 7, Chapter 1, Part 28 of the Code of Federal Regulations) shall be eligible for export hereunder only if a Form A certificate issued by a Board of Cotton Examiners of the U.S. Department of Agriculture shows that the reginned or repacked cotton exported was 13/16-inch or longer in staple and of a grade named in the Universal Standards for American Upland Cotton.

Below grade cotton, reginned or repacked cotton (unless proof of export includes a Form A certificate), or by-products of cotton, such as cotton mill waste, sweepings, linters, motes, and other such by-products of cotton, are not eligible hereunder.

(b) *Export.* "Export" means the shipment from the continental United States to an eligible destination as specified in § 482.208. If cotton is exported under this subpart, the date which appears on the applicable on-board ocean bill of lading, or if shipment is by rail, the date the shipment clears United States Customs, will be accepted hereunder as the date of export.

(c) *Exporter.* "Exporter" means any individual, partnership, corporation, association, or other business entity, which is located and maintains a business organization within the continental United States, and which is engaged in the business of exporting cotton.

(d) *Director.* "Director" means the Director of the New Orleans office.

(Continued on p. 3689)

CONTENTS

	Page
Agricultural Marketing Service	
Notices:	
Grain warehouses; unit price for grain for net assets and bond purposes	3709
Proposed rule making:	
Milk; in New Orleans, La., marketing area	3697
Rules and regulations:	
Dry bean warehouses; net assets and bond regulations, amended	3692
Agriculture Department	
See Agricultural Marketing Service; Commodity Credit Corporation.	
Alien Property Office	
Notices:	
Vested property; intention to return:	
Kardos, Dr. Denes	3701
Sato, S/Sgt. Shigeru, and Mrs. Hina Hattori Sato	3701
Schmidt, Mrs. Auguste	3701
Civil and Defense Mobilization Office	
Notices:	
Indiana; major disaster; additional counties	3714
Civil Service Commission	
Rules and regulations:	
Exceptions from competitive service; Army Department	3692
Coast Guard	
Notices:	
Marine Inspection Office; establishment at Wilmington, N.C.	3701
Commerce Department	
See Federal Maritime Board.	
Commodity Credit Corporation	
Rules and regulations:	
Cotton export program, 1959-60; payment-in-kind	3687
Education Office	
Rules and regulations:	
Federal assistance in construction of minimum school facilities in areas affected by Federal activities; second deadline for applications for funds for fiscal year 1959	3694

HeinOnline -- 24 Fed. Reg. 3687 1959

of the shipper's export declaration, all copies of the bill of lading, and all copies of the commercial invoices. For additional information as to which destination control statement to use, the exporter should communicate with the Bureau of Foreign Commerce or one of the field offices of the Department of Commerce.

[F.R. Doc. 59-3866; Filed, May 6, 1959; 8:48 a.m.]

Title 5—ADMINISTRATIVE PERSONNEL

Chapter I—Civil Service Commission

PART 6—EXCEPTIONS FROM THE COMPETITIVE SERVICE

Department of the Army

Effective upon publication in the FEDERAL REGISTER, subparagraph (8) of § 6.305(a) is revoked, and subparagraphs (2), (10), and (11) are amended as set out below.

§ 6.305 Department of the Army.

(a) *Office of the Secretary.* * * *

(2) One Deputy to each of the following: the Assistant Secretary of the Army (Financial Management), the Assistant Secretary of the Army (Logistics), and the Assistant Secretary of the Army (Manpower, Personnel and Reserve Forces).

* * * * *

(10) One Confidential Assistant to the Deputy Assistant Secretary of the Army (Manpower, Personnel and Reserve Forces).

(11) One Special Assistant for Manpower and Personnel and one Special Assistant for Reserve Forces to the Assistant Secretary of the Army (Manpower, Personnel and Reserve Forces).

(R.S. 1753, sec. 2, 22 Stat. 403, as amended; 5 U.S.C. 631, 633)

UNITED STATES CIVIL SERVICE COMMISSION,
[SEAL] WM. C. HULL,
Executive Assistant.

[F.R. Doc. 59-3879; Filed, May 6, 1959; 8:51 a.m.]

Title 7—AGRICULTURE

Chapter I—Agricultural Marketing Service (Standards, Inspections, Marketing Practices), Department of Agriculture

SUBCHAPTER E—WAREHOUSE REGULATIONS

PART 106—DRY BEAN WAREHOUSES

Amendments of Net Assets and Bond Regulations

Pursuant to authority conferred by section 28 of the United States Warehouse Act (7 U.S.C. 268), and delegation of authority at 22 F.R. 1455, §§ 106.5 and 106.12 of the dry bean warehouse regulations (7 CFR 106.5 and 106.12) are hereby amended as follows:

1. The first sentence of § 106.5, relating to net assets required, is changed to read: "Any warehouseman conducting a warehouse licensed, or for which application for license has been made, under the act shall have and maintain, above all exemptions and liabilities, net assets liable for the payment of any indebtedness arising from the conduct of the warehouse, to the extent of at least 22 cents per hundredweight for the maximum number of hundredweight that the warehouse will accommodate, when stored in the manner customary to the warehouse, as determined by the Administrator, except that the amount of such assets shall not be less than $10,000."

2. The first sentence of § 106.12(a), relating to basis of amount of bond and additional amounts, is changed to read:

(a) Exclusive of any amount which may be added in accordance with paragraphs (b) and (c) of this section, the amount of such bond shall be at the rate of 33 cents per hundredweight for the maximum number of hundredweight that the warehouse will accommodate, when stored in the manner customary to the warehouse for which such bond is required, as determined by the Administrator, but not less than $5,000 nor more than $200,000. * * *

(Sec. 28, 39 Stat. 490; 7 U.S.C. 268)

The foregoing amendments are deemed necessary to assure more complete protection to holders of receipts for dry beans stored in warehouses under the United States Warehouse Act and are in accord with present requirements made in administration of the act. They should be made effective as soon as possible in order to be of maximum protection to affected persons. Therefore, under section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that notice and other public rule-making procedure on the amendments would be impracticable, unnecessary, and contrary to the public interest and good cause is found for making the amendments effective less than 30 days after publication in the FEDERAL REGISTER.

The foregoing amendments shall become effective on the date of publication in the FEDERAL REGISTER.

Done at Washington, D.C., this 1st day of May 1959.

GEORGE A. DICE,
Director, Special Services Division.

[F.R. Doc. 59-3878; Filed, May 6, 1959; 8:51 a.m.]

Title 25—INDIANS

Chapter I—Bureau of Indian Affairs, Department of the Interior

SUBCHAPTER K—PATENTS, ALLOTMENTS AND SALES

PART 121—ISSUANCE OF PATENTS IN FEE, CERTIFICATES OF COMPETENCY, SALE OF CERTAIN INDIAN LANDS, AND REINVESTMENT OF PROCEEDS

Miscellaneous Amendments

On October 11, 1958, there was published in the FEDERAL REGISTER (23 F.R. 7896-7) a notice of intention to amend Part 121 of 25 CFR. The purpose of this amendment is to facilitate the issuance of orders removing restrictions upon application of the Indian owner pursuant to section 2(a) of the Act of August 11, 1955 (69 Stat. 666). Interested persons were given an opportunity to submit their comments, suggestions, or objections in writing on the proposed amendment to the Bureau of Indian Affairs within 30 days from the date of publication of the notice in the FEDERAL REGISTER.

During the 30-day period no objections or protests were received. However, some comment was made regarding the proposed amendment to the effect that the language of the statute precluded the entertainment of appeals by the Secretary of the Interior if he had either disapproved an application or failed to approve or disapprove it within 90 days from its date.

This comment was thoroughly considered and discussed. As a result of such consideration and discussion a change has been made in § 121.35(c) by deleting the following language: "an appeal may be made to the Secretary of the Interior, through the Area Director and the Commissioner of Indian Affairs, or"

The proposed amendment to the regulations, as so changed, is hereby adopted and is set forth below. The amendment is effective upon publication in the FEDERAL REGISTER.

ELMER F. BENNETT,
Acting Secretary of the Interior.

MAY 1, 1959.

Sections 121.35 and 121.36 of Part 121 are amended to read as follows:

§ 121.35 Removal of restrictions, unconditionally.

(a) Upon proper showing to the Secretary of the Interior that an applicant, for the unconditional removal of restrictions pursuant to statutory authority other than section 2(a) of the act of August 11, 1955 (69 Stat. 666), should have the unrestricted control of his allotment or a part thereof, he may remove the restrictions therefrom.

(b) If the restrictions are to be removed pursuant to an application filed under section 2(a) of the act of August 11, 1955 (69 Stat. 666), the qualifications of the applicant shall be the same as those listed in § 121.51 and the factors to be considered in connection with the application shall be the same as those listed in § 121.53. If an order removing restrictions is granted, it shall be effective upon issuance and the effect thereof shall be the same as that described in § 121.52.

(c) If an application for the removal of restrictions pursuant to section 2(a) of the act of August 11, 1955 (69 Stat. 666), is disapproved or there is a failure to approve or disapprove within 90 days of the date of the application, the Indian applicant may apply to the county court for the county in which he or she resides for an order removing restrictions.

HeinOnline -- 24 Fed. Reg. 3692 1959

§ 121.36 Removal of restrictions, conditionally.

With the exception of applications for removal of restrictions filed under section 2(a) of the act of August 11, 1955 (69 Stat. 666), which removals are unconditional, when the Secretary of the Interior finds it to be for the best interest of any applicant that all or part of his restricted lands should be sold with conditions concerning terms of sale and disposal of the proceeds, he may remove the restrictions, to become effective only and simultaneously with the execution of a deed by said applicant and issue an order specifically providing the terms under which the land may be sold and providing for the disposal of the proceeds.

(R.S. 161; 5 U.S.C. 22)

[F.R. Doc. 59-3853; Filed, May 6, 1959; 8:47 a.m.]

Title 26—INTERNAL REVENUE, 1954

Chapter I—Internal Revenue Service, Department of the Treasury

[T.D. 6376]

PART 1—INCOME TAX; TAXABLE YEARS BEGINNING AFTER DECEMBER 31, 1953

Personal Holding Companies and Foreign Personal Holding Companies

On February 18, 1959, notice of proposed rule making regarding the amendment of the Income Tax Regulation (26 CFR Part 1) for taxable years beginning after December 31, 1953, and ending after August 16, 1954, to reflect the changes made by sections 32 and 33 of the Technical Amendments Act of 1958 (72 Stat. 1631 and 1632), was published in the FEDERAL REGISTER (24 F.R. 1253). No objection to the rules proposed having been received during the 30-day period prescribed in the notice, the amendments as so published are hereby adopted.

The Income Tax Regulations (26 CFR Part 1) are hereby amended to reflect the changes made by sections 32 and 33 of the Technical Amendments Act of 1958 (72 Stat. 1631 and 1632). Except as otherwise provided, the regulations, as so amended, are applicable to taxable years beginning after December 31, 1953, and ending after August 16, 1954.

PARAGRAPH 1. Section 1.545 is amended—

(A) By striking out section 545(b)(2) and inserting in lieu thereof the following:

(2) *Charitable contributions.* The deduction for charitable contributions provided under section 170 shall be allowed, but in computing such deduction the limitations in section 170(b)(1)(A) and (B) shall apply, and section 170(b)(2) shall not apply. For purposes of this paragraph, the term "adjusted gross income" when used in section 170(b)(1) means the taxable income computed with the adjustments (other than the 5-percent limitation) provided in the first sentence of section 170(b)(2) and without deduction of the amount disallowed under paragraph (8) of this subsection.

(B) By inserting before the period at the end of section 545(b)(4) "computed without the deductions provided in part VIII (except section 248) of subchapter B".

(C) By adding the following historical note at the end thereof:

[Sec. 545 as amended by sec. 32, Technical Amendments Act 1958 (72 Stat. 1631)]

As so amended section 545(b)(2) and (4) and the historical note in § 1.545 will read as follows:

§ 1.545 Statutory provisions; undistributed personal holding company income.

SEC. 545. *Undistributed personal holding company income.* * * *

(b) *Adjustments to taxable income.* For the purposes of subsection (a), the taxable income shall be adjusted as follows:

* * * * *

(2) *Charitable contributions.* The deduction for charitable contributions provided under section 170 shall be allowed, but in computing such deduction the limitations in section 170(b)(1)(A) and (B) shall apply, and section 170(b)(2) shall not apply. For purposes of this paragraph, the term "adjusted gross income" when used in section 170(b)(1) means the taxable income computed with the adjustments (other than the 5-percent limitation) provided in the first sentence of section 170(b)(2) and without deduction of the amount disallowed under paragraph (8) of this subsection.

* * * * *

(4) *Net operating loss.* The net operating loss deduction provided in section 172 shall not be allowed, but there shall be allowed as a deduction the amount of the net operating loss (as defined in section 172(c)) for the preceding taxable year computed without the deductions provided in part VIII (except section 248) of subchapter B.

* * * * *

[Sec. 545 as amended by sec. 32, Technical Amendments Act 1958 (72 Stat. 1631)]

PAR. 2. Paragraphs (b) and (d) of § 1.545-2 are amended to read as follows:

§ 1.545-2 Adjustments to taxable income.

* * * * *

(b) *Charitable contributions.* (1) Section 545(b)(2) provides that, in computing the deduction for charitable contributions for purposes of determining the undistributed personal holding company income of a corporation, the limitations in section 170(b)(1)(A) and (B) (relating to charitable contributions by individuals) shall apply and section 170(b)(2) (relating to charitable contributions by corporations) shall not apply.

(2) Although the limitations of section 170(b)(1)(A) and (B) are 10 and 20 percent, respectively, of the individual's adjusted gross income, the limitations are applied for purposes of section 545(b)(2) by using 10 and 20 percent, respectively, of the corporation's taxable income as adjusted for purposes of section 170(b)(2) (that is, the same amount of taxable income to which the 5-percent limitation applied). Thus, the term "adjusted gross income" when used in section 170(b)(1) means the corporation's taxable income computed with the adjustments (other than the 5-percent limitation) provided in the first sentence of section 170(b)(2). However, a further adjustment for this purpose is that the taxable income shall also be computed without the deduction of the amount disallowed under section 545(b)(8) (relating to expenses and depreciation applicable to property of the taxpayer). The carryover of charitable contributions made in a prior year, otherwise allowable as a deduction in computing taxable income to the extent provided in section 170(b)(2), shall not be allowed as a deduction in computing undistributed personal holding company income for any taxable year.

(3) See the regulations under section 170(b)(1)(A) and (B) with respect to the charitable contributions to which the 10-percent limitation is applicable and the charitable contributions to which the 20-percent limitation is applicable.

* * * * *

(d) *Net operating loss.* The net operating loss deduction provided in section 172 is not allowed for purposes of the computation of undistributed personal holding company income. For purposes of such a computation, however, there is allowed as a deduction the amount of the net operating loss (as defined in section 172(c)) for the preceding taxable year, except that, in computing undistributed personal holding company income for a taxable year beginning after December 31, 1957, the amount of such net operating loss shall be computed without the deductions provided in part VIII (except section 248, relating to organizational expenditures) of subchapter B of chapter 1 of the Code.

* * * * *

PAR. 3. Section 1.556 is amended—

(A) By striking out the first sentence of section 556(b)(2) and inserting in lieu thereof the following: "The deduction for charitable contributions provided under section 170 shall be allowed, but in computing such deduction the limitations in section 170(b)(1)(A) and (B) shall apply, and section 170(b)(2) shall not apply."

(B) By striking out "the taxable income computed with the adjustments provided in section 170(b)(2)" appearing in the second sentence of section 556(b)(2) and inserting in lieu thereof "the taxable income computed with the adjustments (other than the 5-percent limitation) provided in the first sentence of section 170(b)(2)".

(C) By striking out "sections 242 and 248" appearing in section 556(b)(3) and inserting in lieu thereof "section 248".

(D) By inserting before the period at the end of section 556(b)(4) "computed without the deductions provided in part VIII (except section 248) of subchapter B".

(E) By adding the following historical note at the end thereof:

[Sec. 556 as amended by sec. 33, Technical Amendments Act 1958 (72 Stat. 1632)]

As so amended section 556(b)(2), (3), and (4) and the historical note in § 1.556 will read as follows:

§ 1.556 Statutory provisions; undistributed foreign personal holding company income.

SEC. 556. *Undistributed foreign personal holding company income.* * * *

HeinOnline -- 24 Fed. Reg. 3693 1959