§ 40706. Distribution of assets on dissolution

(a) SECRETARY OF THE ARMY.—On dissolution of the corporation, title to the following items, and the right to possess the items, vest in the Secretary of the Army—

(1) firearms stored at Defense Distribution Depot, Anniston, Anniston, Alabama on the date of dissolution.

(2) M–16 rifles under control of the corporation.

(3) trophies received from the National Board for the Promotion of Rifle Practice through the date of dissolution.

(b) TAX-EXEMPT ORGANIZATIONS.—(1) On dissolution of the corporation, an asset not described in subsection (a) of this section may be distributed to an organization that—

(A) is exempt from taxation under section 501(a) of the Internal Revenue Code of 1986 (26 U.S.C. 501(a)) as an organization described in section 501(c)(3) of that Code (26 U.S.C. 501(c)(3)); and

(B) performs functions similar to the functions described in section 40722 of this title.

(2) An asset distributed under this subsection may not be distributed to an individual.

(c) TREASURY.—On dissolution of the corporation, any asset not distributed under subsection (a) or (b) of this section shall be sold and the proceeds shall be deposited in the Treasury.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1336.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
40706(a)	36:5509(a)(1).	Feb. 10, 1996, Pub. L. 104–106, title XVI, §1619, 110 Stat. 520; Sept. 23, 1996, Pub. L. 104–201, title X, §1073(c)(3), 110 Stat. 2657.
40706(b)(1) ..	36:5509(a)(2).	
40706(b)(2) ..	36:5509(b).	
40706(c)	36:5509(a)(3).	

In subsection (a), before clause (1), the words ''title to the following items, and the right to possess the items, vest in the Secretary of the Army'' are substituted for ''title to [specified items] . . . shall vest in the Secretary of the Army, and the Secretary shall have the immediate right to the possession of such items'' to eliminate unnecessary words. In clause (2), the words ''M–16 rifles under control of the corporation'' are substituted for ''M–16 rifles that are transferred to the Corporation under section 1615(a)(2), that are referred to in section 1616(a)(3), or that are otherwise under the control of the Corporation'' to eliminate unnecessary words.

In subsection (b), paragraph (2) is applied only to subsection (b) because the prohibition is not relevant to 36:5509(a)(1) or (3).

§ 40707. Nonapplication of audit requirements

The audit requirements of section 10101 of this title do not apply to the corporation.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1337.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
40707	(no source).	

The section is added to except the Corporation for the Promotion of Rifle Practice and Firearms Safety from the application of section 10101 of the revised title, restating 36:1101–1103, which imposes audit requirements on certain federally chartered corporations. The corporation is not included in the list of corporations set out in 36:1101 to which the audit requirements apply.

SUBCHAPTER II—CIVILIAN MARKSMANSHIP PROGRAM

§ 40721. Responsibility of corporation

The corporation shall supervise and control the Civilian Marksmanship Program.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1337.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
40721	36:5502(a) (words before cl. (1)).	Feb. 10, 1996, Pub. L. 104–106, title XVI, §1612(a) (words before cl. (1)), 110 Stat. 516.

The words ''shall supervise and control the Civilian Marksmanship Program'' are substituted for ''shall have responsibility for the overall supervision, oversight, and control of the Civilian Marksmanship Program, pursuant to the transfer of the program under subsection (d), including the performance of the following'' to eliminate unnecessary words.

§ 40722. Functions

The functions of the Civilian Marksmanship Program are—

(1) to instruct citizens of the United States in marksmanship;

(2) to promote practice and safety in the use of firearms;

(3) to conduct competitions in the use of firearms and to award trophies, prizes, badges, and other insignia to competitors;

(4) to secure and account for firearms, ammunition, and other equipment for which the corporation is responsible;

(5) to issue, loan, or sell firearms, ammunition, repair parts, and other supplies under sections 40731 and 40732 of this title; and

(6) to procure necessary supplies and services to carry out the Program.

(Pub. L. 105–225, Aug. 12, 1998, 112 Stat. 1337.)

HISTORICAL AND REVISION NOTES

Revised Section	*Source (U.S. Code)*	*Source (Statutes at Large)*
40722	36:5502(a) (less words before cl. (1)).	Feb. 10, 1996, Pub. L. 104–106, title XVI, §1612(a) (less words before cl. (1)), 110 Stat. 516.

Before clause (1), the words ''The functions of the Civilian Marksmanship Program are'' are added because of the reorganization of the revised chapter.

In clause (3), the word ''matches'' is omitted as included in ''competitions''.

In clause (4), the words ''to secure and account for'' are substituted for ''The provision of security and accountability for'' for clarity and to eliminate unnecessary words. The words ''for which the corporation is responsible'' are substituted for ''under the custody and control of the Corporation'' for clarity and for consistency with section 40731(b) of this title related to firearms that are not under the direct custody and control of the corporation because they have been issued or loaned.