

“(ii) any property which was treated as 15-year real property under this section (as in effect before the amendments made by the Tax Reform Act of 1984).”

(4) In subclause (II) of section 168(j)(4)(E)(ii) of the Code (as added by section 31(a) of the bill) insert “under the lease” after “placed in service”.

(5) In subclause (I) of section 48(a)(5)(B)(ii) of the Code (as added by section 31(b) of the bill) strike out “and” at the end thereof and insert in lieu thereof “or”.

(6) In subclause (I) of section 48(a)(5)(B)(iii) (as added by section 31(b) of the bill), strike out “to which section 47(a)(7) applies” and insert in lieu thereof “used under a qualifying lease (as defined in section 47(a)(7)(C))”.

(7) In subclause (II) of section 48(a)(5)(B)(iii) of the Code (as added by section 31(b) of the bill), strike out “the lease” and insert in lieu thereof “a lease”.

(8) In section 7701(e)(3) of the Code (as added by section 31(e) of the bill), strike out the matter following subparagraph (B) thereof and preceding subparagraph (C) thereof.

(9) In each of subparagraphs (C), (D), and (E) of section 7701(e)(3) of the Code (as added by section 31(e) of the bill) strike out “The” and insert in lieu thereof “For purposes of subparagraph (A), the”.

(10) In subparagraph (A) of section 7701(e)(4) of the Code (as added by section 31(e) of the bill), insert “, cogeneration facility, alternative energy facility, or water treatment works facility” after “qualified solid waste disposal facility” in the matter preceding clause (i).

(11) In paragraph (5) of section 7701(e) of the Code (as added by section 31(e) of the bill) strike out “section 168” and insert in lieu thereof “section 168(c)(2)(F)”.

(12) In subparagraph (A) of section 31(g)(8) of the bill, insert at the end thereof “For purposes of the preceding sentence, the term ‘15-year real property’ includes 18-year real property.”

(13) In clause (i) of section 31(g)(11)(B) of the bill, strike out “maximum of units” and insert in lieu thereof “maximum number of units”.

(14) In clause (i) of section 31(g)(15)(A) of the bill, insert “by the taxpayer” after “placed in service”.

(15) In paragraph (17) of section 31(g) of the bill, strike out “section 168(c)(1)(D)” in the matter preceding subparagraph (A) and insert in lieu thereof “section 168(c)(2)(D)”.

(16) In clause (ii) of section 31(g)(17)(J) of the bill, insert “written” before “commitment”.

(17) In clause (ii) of section 31(g)(17)(L) of the bill—

(A) strike out “Internal Revenue Code” and insert in lieu thereof “Internal Revenue Code of 1954”, and

(B) strike out “in existence”.

(18) In subparagraph (M) of section 31(g)(17) of the bill, insert “and” after “center”.

(19) In subparagraph (D) of section 31(g)(20) of the bill—

(A) insert “to a tax-exempt entity” after “sublease”, and

(B) insert “, 168(j)(8)(A),” after “sections 168(j)(6)(A)”.

(20) In section 1274(c)(2) of the Code (as added by section 41(a) of the bill), strike out “is less than” and insert in lieu thereof “is less than or equal to”.

(21) In the subpart heading for subpart B of part V of subchapter P of chapter 1 of the Code (as added by section 41(a) of the bill), strike out “on Bonds”.

(22) In section 163(e)(2) of the Code (as added by section 42(a) of the bill), strike out subparagraph (C).

"(23) In section 483 of the Code (as added by section 41(b) of the bill), redesignate subsections (e), (f), and (g) as subsections (f), (g), and (h), respectively, and insert after subsection (d) the following new subsection:

"(e) INTEREST RATES IN CASE OF SALES OF PRINCIPAL RESIDENCES OR FARM LANDS.—

"(1) IN GENERAL.—In the case of any debt instrument arising from a sale or exchange to which this subsection applies subsections (b) and (c)(1)(B) shall be applied by using, in lieu of the discount rates determined under such subsections, discount rates determined under subsections (b) and (c)(1), respectively, of this section as it was in effect before the amendments made by the Tax Reform Act of 1984.

"(2) SALES OR EXCHANGES TO WHICH SUBSECTION APPLIES.—This subsection shall apply—

"(A) to any sale or exchange by an individual of his principal residence (within the meaning of section 1034), and

"(B) to any sale or exchange by a person of land used by such person as a farm (within the meaning of section 6420(c)(2)).

"(3) LIMITATION.—Paragraph (1) shall apply to any sale or exchange by an individual of his principal residence (within the meaning of section 1034), only to the extent the purchase price of such residence does not exceed \$250,000.

For purposes of the preceding sentence, the purchase price of a residence shall be determined without regard to this section."

(24) In paragraph (1) of section 53(b) of the bill, strike out "section 246(c)" and insert in lieu thereof "section 246".

(25) In section 301(e)(2) of the Code (as added by section 54(b) of the bill), strike out "section 1248(f)(2)" and insert in lieu thereof "section 1248".

(26) In the section heading for section 59 of the bill, strike out "EXCEPTIONS" and insert in lieu thereof "EXCEPTION" and amend the table of contents of the bill accordingly.

(27) Strike out paragraph (2) of section 67(e) of the bill and insert in lieu thereof the following:

"(2) SPECIAL RULE FOR CONTRACT AMENDMENTS.—Any contract entered into before June 15, 1984, which is amended after June 14, 1984, in any significant relevant aspect shall be treated as a contract entered into after June 14, 1984."

(28) In section 291(a)(4) of the Code (as amended by section 68(b) of the bill), strike out subparagraphs (A) and (B) and insert the following:

"(A) '30 percent' for '32 percent' in paragraph (2), and

"(B) '15/23' for '16/23' in paragraph (3)."

(29) Strike out subparagraphs (C) and (D) of section 706(d)(2) of the Code (as added by section 72(a) of the bill) and insert in lieu thereof the following:

"(C) ITEMS ATTRIBUTABLE TO PERIODS NOT WITHIN TAXABLE YEAR.—If any portion of any allocable cash basis item is attributable to—

"(i) any period before the beginning of the taxable year, such portion shall be assigned under subpara-

graph (A)(i) to the first day of such taxable year, or
 “(ii) any period after the close of the taxable year,
 such portion shall be assigned under subparagraph
 (A)(i) to the last day of the taxable year.

“(D) TREATMENT OF DEDUCTIBLE ITEMS ATTRIBUTABLE TO
 PRIOR PERIODS.—If any portion of a deductible cash basis item
 is assigned under subparagraph (C)(i) to the first day of any
 taxable year—

“(i) such portion shall be allocated among persons
 who are partners in the partnership during the period
 to which such portion is attributable in accordance
 with their varying interests in the partnership during
 such period, and

“(ii) any amount allocated under clause (i) to a person
 who is not a partner in the partnership on such first
 day shall be capitalized by the partnership and treated
 in the manner provided for in section 755.”

(30) In paragraph (5) of section 77(b) of the bill, insert “and which
 was executed on or before March 31, 1984,” after “March 29, 1984.”

(31) In section 77(b)(5) of the bill, strike out “on, or before” and
 insert in lieu thereof “on or before”.

(32) In section 91(g) of the bill, strike out paragraphs (1) and (2)
 and insert the following:

“(1) IN GENERAL.—Except as provided in this subsection and
 subsections (h) and (i), the amendments made by this section
 shall apply to amounts with respect to which a deduction would
 be allowable under chapter 1 of the Internal Revenue Code of
 1954 (determined without regard to such amendments) after—

“(A) in the case of amounts to which section 461(h) of
 such Code (as added by such amendments) applies, the date
 of the enactment of this Act, and

“(B) in the case of amounts to which section 461(i) of such
 Code (as so added) applies, after March 31, 1984.

“(2) TAXPAYER MAY ELECT EARLIER APPLICATION.—

“(A) IN GENERAL.—In the case of amounts described in
 paragraph (1)(A), a taxpayer may elect to have the amend-
 ments made by this section apply to amounts which—

“(i) are incurred before the date of the enactment of
 this Act (determined without regard to such amend-
 ments), and

“(ii) are incurred on or after the date of the enact-
 ment of this Act (determined with regard to such
 amendments).

“(B) ELECTION TREATED AS CHANGE IN THE METHOD OF
 ACCOUNTING.—For purposes of section 481 of the Internal
 Revenue Code of 1954, if an election is made under subpara-
 graph (A) with respect to any amount, the application of the
 amendments made by this section shall be treated as a
 change in method of accounting—

“(i) initiated by the taxpayer,

“(ii) made with the consent of the Secretary of the
 Treasury, and

“(iii) with respect to which section 481 of such Code
 shall be applied by substituting a 3-year adjustment
 period for a 10-year adjustment period.”

(33) In the table contained in section 467(e)(3)(A) of the Code (as added by section 92(a)), after the item relating to "10-year property", insert the following new item:

"Low-income housing 15 years."

(34) In clause (ii) of section 92(c)(2)(C) of the bill insert "(for purposes of this clause)" after "assuming" in the matter preceding subclause (I).

(35) Strike out the last two sentences of section 92(c)(2) of the bill and insert: "Paragraph (3)(B)(ii)(III) shall apply for purposes of clauses (ii) and (iii) of subparagraph (C), as if, as of the beginning of the last stage, the separate agreements were treated as 1 single agreement relating to all property covered by the agreements, including any property placed in service before the property to which the agreement for the last stage relates. If the lessor under the agreement described in subparagraph (C) leases the property from another person, this exception shall also apply to any agreement between the lessor and such person which is integrally related to, and entered into at the same time as, such agreement, and which calls for comparable payments of rent over the primary term of the agreement."

(36) In paragraph (2) of section 195(b) of the Code (as added by section 94(a)), insert "attributable to such trade or business" after "deferred expenses".

(37) In paragraph (2) of section 1092(f) of the Code (as added by section 101(c) of the bill), strike out "The holding period" and insert in lieu thereof "Except for purposes of section 851(b)(3), the holding period".

(38) Strike out subparagraph (C) of section 1256(g)(4) of the Code (as amended by section 102(a) of the bill) and insert in lieu thereof the following:

"(C) is listed on the qualified board or exchange on which such options dealer is registered."

(39) In subparagraph (A) of section 211(h)(1) of the Social Security Act, as added by section 102(c)(2) of the bill, insert "activity of" before "dealing in or trading".

(40) In subsection (d) of section 102 of the bill, strike out paragraph (3) and insert in lieu thereof the following:

"(3) SUBCHAPTER S ELECTION.—If a commodities dealer or an options dealer—

"(A) becomes a small business corporation (as defined in section 1361(b) of the Internal Revenue Code of 1954) at any time before the close of the 75th day after the date of the enactment of this Act, and

"(B) makes the election under section 1362(a) of such Code before the close of such 75th day,

then such dealer shall be treated as having received approval for and adopted a taxable year beginning on the first day during 1984 on which it was a small business corporation (as so defined) and ending on the date determined under section 1378 of such Code and such election shall be effective for such taxable year."

(41) In the subsection heading to subsection (b) of section 106 of the bill, strike out "Business" and insert in lieu thereof "Dealer".

(42) In paragraph (2) of section 108(a) of the bill, strike out "such Act" and insert in lieu thereof "the Economic Recovery Tax Act of 1981".

(43) Strike out subsection (d) of section 111 of the bill and insert in lieu thereof the following:

“(d) USE OF MID-MONTH CONVENTION.—Subparagraphs (A) and (B) of section 168(b)(2) are each amended by inserting ‘(using a mid-month convention)’ after ‘months.’”

(44) In paragraph (2) of section 111(g) of the bill, strike out “but only if property is not” and insert in lieu thereof “but only if the property is not”.

(45) In subparagraph (B) of section 111(g)(3) of the bill, strike out “March 1984” and insert in lieu thereof “March 16, 1984”.

(46) In paragraph (1) of section 48(r) of the Code (as added by section 113(a)(1) of the bill), strike out “commences with taxpayer” and insert in lieu thereof “commences with the taxpayer”.

(47) In paragraph (1) of section 113(b) of the bill, strike out “FILM” and insert in lieu thereof “FILMS”.

(48) Strike out subsection (c) of section 113 of the bill and insert in lieu thereof the following:

“(c) EFFECTIVE DATES.—

“(1) SOUND RECORDINGS.—The amendments made by subsection (a) shall apply to property placed in service after March 15, 1984, in taxable years ending after such date.

“(2) FILMS AND OTHER PROPERTY.—

“(A) The amendment made by paragraph (1) of subsection (b) shall apply to any motion picture film or video tape placed in service before, on, or after the date of the enactment of this Act, except that such amendment shall not apply to—

“(i) any qualified film placed in service by the taxpayer before March 15, 1984, if the taxpayer treated such film as recovery property for purposes of section 168 of the Internal Revenue Code of 1954 on a return of tax under chapter 1 of such Code filed before March 16, 1984, or

“(ii) any qualified film placed in service by the taxpayer before January 1, 1985, if—

“(I) 20 percent or more of the production costs of such film were incurred before March 16, 1984, and

“(II) the taxpayer treats such film as recovery property for purposes of section 168 of such Code.

No credit shall be allowable under section 38 of such Code with respect to any qualified film described in clause (ii), except to the extent provided in section 48(k) of such Code.

“(B) The amendments made by paragraphs (2) and (3) of subsection (b) shall apply as if included in the amendments made by sections 201(a), 211(a)(1), and 211(f)(1) of the Economic Recovery Tax Act of 1981.

“(C) The amendment made by paragraph (4) of subsection (b) shall take effect as if included in the amendments made by section 205(a)(1) of the Tax Equity and Fiscal Responsibility Act of 1982.

“(D) For purposes of this paragraph, the terms ‘qualified film’ and ‘production costs’ have the same respective meanings as when used in section 48(k) of the Internal Revenue Code of 1954.”

(49) In paragraph (1) of section 121(b) of the bill, strike out “the

taxable year of any United States-owned foreign corporation in which occurs" and insert in lieu thereof "any taxable year of any United States-owned foreign corporation ending after".

(50) In subparagraph (D) of section 121(b)(2) of the bill, strike out "and the holding of short-term" and insert in lieu thereof "or the holding of short-term".

(51) In paragraph (5) of section 121(b) of the bill, strike out "paragraphs (2) and (3)" and insert in lieu thereof "paragraph (2) or (3)".

(52) In paragraph (6) of section 121(b) of the bill—

(A) strike out "issued obligations on" and insert in lieu thereof "issued certificates with respect to obligations on", and

(B) strike out "income received or accrued on such obligations" and insert in lieu thereof "the proceeds from relending such obligations or related capital".

(53) In clause (ii) of section 904(d)(3)(E) of the Code (as added by section 122(a) of the bill), strike out "the taxpayer" and insert in lieu thereof "a United States person".

(54) In subparagraph (J) of section 904(d)(3) of the Code (as added by section 122(a) of the bill), strike out "under such interest" and insert in lieu thereof "unless such interest".

(55) In subparagraph (B) of section 122(b)(2) of the bill, strike out "designated payor" each place it appears and insert in lieu thereof "designated payor corporation".

(56) In paragraph (3) of section 122(b) of the bill—

(A) strike out "corporations which are not" in the heading and insert in lieu thereof "corporation which is not", and

(B) strike out "section 131(b)(2)(D)" and insert in lieu thereof "section 121(b)(2)(D)".

(57) In paragraph (6) of section 864(d) of the Code (as added by section 123(a) of the bill)—

(A) strike out "other than a related person", and

(B) strike out "such related person" in subparagraphs (A) and (B) and insert in lieu thereof "a related person".

(58) In paragraph (2) of section 123(c) of the bill—

(A) strike out "March 1, 1984" the second place it appears and insert in lieu thereof "March 1, 1994",

(B) strike out "investment in United States property of such corporation" and insert in lieu thereof "amount includible in gross income by reason of section 956 of the Internal Revenue Code of 1954 with respect to such corporation", and

(C) strike out "investment on or before March 1, 1984" and insert in lieu thereof "adjusted basis on March 1, 1984".

(59) In paragraph (1) of section 127(a) of the bill, strike out "by redesignating subsection (i) as subsection (j) and by adding at the end thereof the following new subsection" and insert "by redesignating subsection (h) as subsection (i) and by inserting after subsection (g) the following new subsection".

(60) Subsection (i) of section 871 of the Code (as added by section 127(a)) is redesignated as subsection (h).

(61) In subsection (h) of section 871 of the Code (as redesignated by the preceding paragraph and as added by section 127(a) of the bill)—

(A) strike out "who is, or would otherwise be," in paragraph (2)(B)(ii) and insert "who would otherwise be", and

(B) strike out "owner" in paragraph (3)(C)(ii) and insert "owning".

(62) In subsection (c) of section 881 of the Code (as added by section 127(b) of the bill)—

(A) strike out “paragraph (1) of subsection (a)” in paragraph (1) and insert in lieu thereof “paragraph (1) or (3) of subsection (a)”;

(B) strike out “section 871(i)(2)(A)” in paragraph (2)(A) and insert in lieu thereof “section 871(h)(2)(A)”;

(C) strike out “who is, or would otherwise be,” in paragraph (2)(B) and insert in lieu thereof “who would otherwise be”;

(D) strike out “section 871(i)(4)” in paragraph (2)(B) and insert in lieu thereof “section 871(h)(4)”;

(E) strike out “or” at the end of paragraph (3)(A);

(F) strike out subparagraph (B) of paragraph (3) and insert in lieu thereof the following:

“(B) is received by a 10-percent shareholder (within the meaning of section 871(h)(3)(B)), or

“(C) is received by a controlled foreign corporation from a related person (within the meaning of section 864(d)(4).”

(G) strike out “not found or avoided” in paragraph (4)(A)(ii) and insert in lieu thereof “not formed or availed”;

(H) strike out subparagraphs (B) and (C) of paragraph (4) and insert in lieu thereof the following:

“(B) CONTROLLED FOREIGN CORPORATION.—For purposes of this subsection, the term ‘controlled foreign corporation’ has the meaning given to such term by section 957(a).”

(I) strike out “section 871(i)(5)” each place it appears in paragraph (5) and insert in lieu thereof “section 871(h)(5)”.

(63) In subsection (c) of section 127 of the bill, strike out “section 871(i)” and insert in lieu thereof “section 871(h).”

(64) In section 2105(b) of the Code (as added by section 127(d) of the bill)—

(A) strike out “section 871(i)(4)” and insert in lieu thereof “section 871(h)(4)”, and

(B) strike out “section 871(i)(1)” and insert in lieu thereof “section 871(h)(1)”.

(65) In paragraph (9) of section 1441(c) of the Code (as added by section 127(e) of the bill)—

(A) strike out “section 871(i)(2)” and insert in lieu thereof “section 871(h)(2)”, and

(B) strike out “section 871(i)(3)” and insert in lieu thereof “section 871(h)(3)”.

(66) Strike out paragraph (2) of section 127(e) of the bill and insert the following:

“(2) FOREIGN CORPORATIONS.—The last sentence of section 1442(a) is amended—

“(A) by striking out ‘and’ after ‘section 881(a)(4),’ and

“(B) by inserting before the period at the end thereof the following: ‘, and the references in section 1449(c)(9) to sections 871(h)(2) and 871(h)(3) shall be treated as referring to sections 881(c)(2) and 881(c)(3).’”

(67) In paragraph (3)(A) of section 127(g) of the bill, strike out “application” and insert in lieu thereof “applicable”.

(68) In subparagraph (C) of section 127(g)(3) of the bill—

(A) strike out “131(b)(2)(D)” and insert in lieu thereof “121(b)(2)(D)”, and

(B) strike out "section 131(b)(2)(F)" and insert in lieu thereof "section 121(b)(2)(F)".

(69) In section 1445(b)(2) of the Code (as added by section 129(a) of the bill), strike out "penalty or perjury" and insert in lieu thereof "penalty of perjury".

(70) Strike out subparagraph (B) of section 1445(d)(1) of the Code (as added by section 129(a) of the bill) and insert in lieu thereof the following:

"(B) in the case of—

"(i) any transferor's agent, the transferor is a foreign corporation or such agent has actual knowledge that such affidavit is false, or

"(ii) any transferee's agent, such agent has actual knowledge that such affidavit is false,".

(71) In clause (ii) of section 367(a)(3)(B) of the Code (as added by section 131(a) of the bill), strike out "installment obligation" and insert in lieu thereof "installment obligations".

(72) In clause (i) of section 136(c)(7)(A) of the bill, strike out "before April 15, 1984" and insert in lieu thereof "on April 5, 1984".

(73) In section 879(a) of the Code (as amended by section 139(a) of the bill), strike out "community" and insert in lieu thereof "community income".

(74) In subsection (c) of section 111 of the Code (as added by section 171 of the bill), insert "or adjustment" after "the recovery".

(75) At the end of subparagraph (B) of section 179(d)(1) of the bill, add the following new sentence: "For purposes of the preceding sentence, the term '15-year real property' includes 18-year real property".

(76) In paragraph (6) of section 809(g) of the Code (as added by section 211 of the bill) insert "of a subsidiary" after "tax reserves".

(77) In paragraph (1) of section 817(h) of the Code (as added by section 211 of the bill) strike out "For purposes of the preceding sentence" and insert in lieu thereof "For purposes of this paragraph and paragraph (2)".

(78) In section 219 of the bill—

(A) strike out "APPLICATION OF SECTION 6001" and insert in lieu thereof "AUTHORITY TO REQUIRE CERTAIN INFORMATION", and

(B) strike out "exercising his authority under section 6001 of the Internal Revenue Code of 1954 to require" and insert in lieu thereof "requiring".

(79) In the table of contents of the bill after the item relating to section 218, insert the following new item:

"Sec. 219. Clarification of authority to require certain information."

(80) In subclause (II) of section 465(c)(7)(D)(ii) of the Code (as added by section 432(a) of the bill), strike out "20 percent" and insert in lieu thereof "10 percent".

(81) In section 419(a)(2) of the Code (as added by section 511 of the bill), strike out "they testify" and insert in lieu thereof "they satisfy".

(82) In section 419(c)(3)(A) of the Code (as added by section 511 of the bill), strike out "the aggregate amount" and insert in lieu thereof "the aggregate amount (including administrative expenses)".

(83) In paragraph (4) of section 419A(a) of the Code (as added by section 511 of the bill), strike out "life insurance benefit" and insert in lieu thereof "life insurance benefits".

(84) Strike out paragraph (2) of section 419A(c) of the Code (as added by section 511 of the bill) and insert in lieu thereof the following:

"(2) **ADDITIONAL RESERVE FOR POST-RETIREMENT MEDICAL AND LIFE INSURANCE BENEFITS.**—The account limit for any taxable year may include a reserve funded over the working lives of the covered employees and actuarially determined on a level basis (using assumptions that are reasonable in the aggregate) as necessary for—

"(A) post-retirement medical benefits to be provided to covered employees (determined on the basis of current medical costs), or

"(B) post-retirement life insurance benefits to be provided to covered employees."

(85) Strike out subparagraph (A) of section 419A(c)(3) of the Code (as added by section 511 of the bill) and insert the following:

"(A) **IN GENERAL.**—The account limit for any taxable year with respect to SUB or severance pay benefits is 75 percent of the average annual qualified direct costs for SUB or severance pay benefits for any 2 of the immediately preceding 7 taxable years (as selected by the fund)."

(86) Strike out clauses (i) and (ii) of section 419A(c)(5)(B) and insert in lieu thereof the following:

"(i) **SHORT-TERM DISABILITY BENEFITS.**—In the case of short-term disability benefits, the safe harbor limit for any taxable year is 17.5 percent of the qualified direct costs (other than insurance premiums) for the immediately preceding taxable year with respect to such benefits.

"(ii) **MEDICAL BENEFITS.**—In the case of medical benefits, the safe harbor limit for any taxable year is 35 percent of the qualified direct costs (other than insurance premiums) for the immediately preceding taxable year with respect to medical benefits."

(87) In paragraph (1) of section 419A(e) of the Code (as added by section 511 of the bill), strike out "medical benefits or life insurance benefits provided to retired employees" and insert in lieu thereof "post-retirement medical benefits or life insurance benefits to be provided to covered employees".

(88) In paragraph (2) of section 419A(g) of the Code (as added by section 511 of the bill), strike out "referred to in paragraph (1)".

(89) Strike out paragraph (5) of section 511(e) of the bill and insert in lieu thereof the following:

"(5) **BINDING CONTRACT EXCEPTIONS TO PARAGRAPH (4).**—Paragraph (4) shall not apply to any facility placed in service before January 1, 1987—

"(A) which is acquired by the fund (or contributed to the fund) pursuant to a binding contract in effect on June 22, 1984, and at all times thereafter, or

"(B) the construction of which by or for the fund began before June 22, 1984."

(90) In clause (i) of section 512(a)(3)(E) of the Code (as added by section 511(b)(2) of the bill), strike out "any reserve for medical

benefits provided to retired employees" and insert in lieu thereof "any reserve described in section 419A(c)(2)(A) for post-retirement medical benefits".

(91) Strike out clause (iii) of section 512(a)(3)(E) of the Code (as added by section 511(b)(2) of the bill) and insert the following:

"(iii) TREATMENT OF EXISTING RESERVES FOR POST-RETIREMENT MEDICAL OR LIFE INSURANCE BENEFITS.—

"(I) Clause (i) shall not apply to any income attributable to a existing reserve for post-retirement medical or life insurance benefits.

"(II) For purposes of subclause (I), the term 'existing reserve or post-retirement medical or life insurance benefit' means the amount of assets set aside as of the close of the last plan year ending before the date of the enactment of the Tax Reform Act of 1984 for purposes of post-retirement medical benefits or life insurance benefits to be provided to covered employees.

"(III) All payments during plan years ending on or after the date of the enactment of the Tax Reform Act of 1984 of post-retirement medical benefits or life insurance benefits shall be charged against the reserve referred to in subclause (II). Except to the extent provided in regulations prescribed by the Secretary, all plans of an employer shall be treated as 1 plan for purposes of the preceding sentence."

(92) Strike out paragraph (2) of section 4976(b) of the Code (as added by section 511(c)(1) of the bill) and insert the following:

"(2) any post-retirement medical or life insurance benefit unless the plan meets the requirements of section 505(b)(1) with respect to such benefit, and"

(93) In the item added by section 511(c)(2) of the bill, strike out "4977" and insert in lieu thereof "4976".

(94) In paragraph (4) of section 511(e) of the bill, strike out "to be used to acquire" and insert in lieu thereof "to be used to acquire or improve".

(95) In paragraph (5) of section 511(e) of the bill, strike out "acquired pursuant to" and insert in lieu thereof "acquired or improved pursuant to".

(96) In the subsection heading for subsection (a) of section 505 of the Code (as added by section 513(a) of the bill), strike out "(9), (17), or (20)" and insert in lieu thereof "(9) or (20)".

(97) Redesignate paragraph (3) of section 505(a) of the Code (as added by section 513 of the bill) as paragraph (2).

(98) In subparagraph (B) of section 505(b)(1) of the Code (as added by section 513(a) of the bill), strike out "benefits for not discriminate" and insert in lieu thereof "benefits do not discriminate".

(99) At the end of subtitle E of title V of the bill, insert the following new section:

"SEC. 561. LIMITATION ON ACCRUAL OF VACATION PAY.

"(a) GENERAL RULE.—Paragraph (1) of section 463(a) (relating to accrual of vacation pay) is amended by striking out 'and payable during' and inserting in lieu thereof 'and expected to be paid during'."

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply to taxable years beginning after March 31, 1984.

(100) In the table of contents of the bill, insert after the item relating to section 560 the following new item:

"Sec. 561. Limitation on accrual of vacation pay."

(101) In section 403(b)(8)(B) of the Code (as added by section 522(d)(10) of the bill), strike out clause (iii) and insert closing quotation marks at the end of clause (ii).

(102) In paragraph (1) of section 219(f), as amended by section 529 of the bill, strike out "paragraph (1)" and all that follows and insert in lieu thereof "section 71 with respect to a divorce or separation instrument described in subparagraph (A) of section 71(b)(2)."

(103) In paragraph (1) of section 125(h) of the Code (as added by section 531(b)(4)(A) of the bill), strike out "taxable" each place it appears.

(104) In section 4977 of the Code (as added by section 531(e)(1) of the bill), strike out subsection (e) and insert in lieu thereof the following new subsection:

"(e) TREATMENT OF CONTROLLED GROUPS.—All employees treated as employed by a single employer under subsection (b), (c), or (m) of section 414 shall be treated as employed by a single employer for purposes of this section."

(105) In subparagraph (A) of section 103A(j)(3) of the Code (as added by section 611(b)(1) of the bill), strike out "a statement concerning" and insert in lieu thereof "(or such later time as the Secretary may prescribe with respect to any portion of the statement) a statement concerning".

(106) In subparagraph (A) of section 103A(j)(4) of the Code (as added by section 611(b)(1) of the bill), strike out "certifies that" and insert in lieu thereof "certifies in the manner prescribed by regulations that".

(107) In subparagraph (B) of section 103A(j)(4) of the Code (as added by section 611(b)(1) of the bill), strike out "paragraph (3)" and insert in lieu thereof "paragraph (3) or such other time as the Secretary may prescribe".

(108) In subparagraph (C) of section 103A(j)(4) of the Code (as added by section 611(b)(1) of the bill), strike out "constitutional home rule cities" and insert in lieu thereof "any constitutional home rule city".

(109) In subparagraph (B) of section 103A(j)(5) of the Code (as added by section 611(b)(1) of the bill)—

(A) strike out clause (i) and insert in lieu thereof the following:

"(i) a statement of the policies with respect to housing, development, and low-income housing assistance which such governmental unit is to follow in issuing qualified mortgage bonds and mortgage credit certificates, and".

(B) strike out "great extent feasible" in clause (ii)(II) and insert in lieu thereof "greatest extent feasible".

(110) Strike out subparagraph (B) of section 103A(o)(3) of the Code (as added by section 611(c)(2) of the bill) and insert in lieu thereof the following:

"(B) STATE VETERANS LIMIT.—A State veterans limit for any calendar year is the amount equal to—

"(i) the aggregate amount of qualified veterans bonds issued by such State during the period beginning on

January 1, 1979, and ending on June 22, 1984 (not including the amount of any qualified veterans bond issued by such State during the calendar year (or portion thereof) in such period for which the amount of such bonds so issued was the lowest), divided by

“(ii) the number (not to exceed 5) of calendar years after 1979 and before 1985 during which the State issued qualified veterans bonds (determined by only taking into account bonds issued on or before June 22, 1984).”

(111) In subparagraph (C) of section 611(d)(3) of the bill—

(A) strike out “section 103(o)(3)” and insert in lieu thereof “section 103A(o)(3)”, and

(B) strike out “such bond is authorized” and insert in lieu thereof “such bond was authorized”.

(112) In paragraph (7) of section 611(d) of the bill—

(A) strike out “Annual report” in the paragraph heading and insert in lieu thereof “Report”, and

(B) strike out “shall submit an annual report” and insert in lieu thereof “shall, not later than January 1, 1987, submit a report”.

(113) In section 25(d)(2)(A) of the Code (as added by section 612(a) of the bill), strike out “or, if lesser, the aggregate amount of certified indebtedness referred to in clause (i)”.

(114) At the end of subsection (d) of section 25 of the Code (as added by section 612(a) of the bill), insert the following:

“(3) ADDITIONAL LIMIT IN CERTAIN CASES.—In the case of a qualified mortgage credit certificate program in a State which—

(A) has a State ceiling (as defined in section 103A(g)(4)) for the year an election is made that exceeds 20 percent of the average annual aggregate principal amount of mortgages executed during the immediately preceding 3 calendar years for single family owner-occupied residences located within the jurisdiction of such State, or

“(B) issued qualified mortgage bonds in an aggregate amount less than \$150,000,000 for calendar year 1983, the certificate credit rate for any mortgage credit certificate shall not exceed 20 percent unless the issuing authority submits a plan to the Secretary to ensure that the weighted average of the certificate credit rates in such mortgage credit certificate program does not exceed 20 percent and the Secretary approves such plan”.

(115) In paragraph (2) of section 25(e) of the Code (as added by section 612(a) of the bill), strike out “(g) and (j) of section 103A” and insert in lieu thereof “and (j) of section 103A and clauses (iv), (v), and (vii) of subsection (c)(2)(A)”.

(116) Strike out paragraph (4) of section 25(e) of the Code (as added by section 612(a) of the bill) and insert in lieu thereof the following:

“(4) REISSUANCE OF MORTGAGE CREDIT CERTIFICATES.—The Secretary may prescribe regulations which allow the administrator of a mortgage credit certificate program to reissue a mortgage credit certificate specifying a certified mortgage indebtedness that replaces the outstanding balance of the certified mortgage indebtedness specified on the original certificate to any taxpayer to whom the original certificate was issued, under such

terms and conditions as the Secretary determines are necessary to ensure that the amount of the credit allowable under subsection (a) with respect to such reissued certificate is equal to or less than the amount of credit which would be allowable under subsection (a) with respect to the original certificate for any taxable year ending after such reissuance”.

(117) In paragraph (1) of section 25(f) of the Code (as added by section 612(a) of the bill), strike out the first sentence and insert in lieu thereof the following: “If for any calendar year any mortgage credit certificate program which satisfies procedural requirements with respect to volume limitations prescribed by the Secretary fails to meet the requirements of paragraph (2) of subsection (d), such requirements shall be treated as satisfied with respect to any certified indebtedness of such program, but the applicable State ceiling under paragraph (4) of section 103A(g) for the State in which such program operates shall be reduced by 1.25 times the correction amount with respect to such failure.”

(118) Strike out subparagraph (A) of section 25(f)(2) of the Code (as added by section 612(a) of the bill) and insert the following:

“(A) IN GENERAL.—For purposes of paragraph (1), the term ‘correction amount’ means an amount equal to the excess credit amount divided by 0.20.”

(119) In subsection (h) of section 25 of the Code (as added by section 612(a) of the bill), strike out “1978” and insert in lieu thereof “1987”.

(120) In paragraph (1) of section 6708(a) of the Code (as added by section 612(d) of the bill), strike out “a misstatement” and insert in lieu thereof “a material misstatement”.

(121) Add at the end of subsection (c) of section 6708 of the Code (as added by section 612(d) of the bill) the following new sentence: “In the case of any report required under the second sentence of section 25(g), the aggregate amount of the penalty imposed by the preceding sentence shall not exceed \$2,000.”

(122) In the heading of subparagraph (C) of section 103(n)(4) of the Code (as added by section 621 of the bill), strike out “termination” and insert in lieu thereof “partial termination”.

(123) In clause (i) of section 103(n)(7)(C) of the Code (as added by section 621 of the bill), strike out “section 103(b)(4)” and insert in lieu thereof “subsection (b)(4)”.

(124) Strike out clause (ii) of section 103(n)(7)(C) of the Code (as added by section 621 of the bill) and insert in lieu thereof the following:

“(ii) EXCEPTION NOT TO APPLY TO CERTAIN PARKING FACILITIES.—For purposes of clause (i), subparagraph (D) of subsection (b)(4) shall be applied as if it did not contain the phrase ‘parking facilities’.”

(125) In section 622 of the bill, strike out “certain obligations must not be” and insert in lieu thereof “certain obligations which must not be”.

(126) In clause (iv) of section 103(h)(3)(A) of the Code (as amended by section 622 of the bill), strike out “of 1984” and insert in lieu thereof “of 1984 with respect to any obligation issued before July 1, 1989”.

(127) In clause (ii) of section 103(b)(15)(B) of the Code (as added by section 623 of the bill), strike out “for the later issue” and insert in lieu thereof “of the later issue”.

(128) Strike out subparagraph (C) of section 103(b)(15) of the Code (as added by section 623 of the bill) and insert in lieu thereof the following:

“(C) ALLOCATION OF FACE AMOUNT OF AN ISSUE.—

“(i) IN GENERAL.—Except as otherwise provided in regulations, the portion of the face amount of an issue allocated to any test-period beneficiary of a facility financed by the proceeds of such issue (other than an owner of such facility) is an amount which bears the same relationship to the entire face amount of such issue as the portion of such facility used by such beneficiary bears to the entire facility.

“(ii) OWNERS.—Except as otherwise provided in regulations, the portion of the face amount of an issue allocated to any test-period beneficiary who is an owner of a facility financed by the proceeds of such issue is an amount which bears the same relationship to the entire face amount of such issue as the portion of such facility owned by such beneficiary bears to the entire facility.”

(129) In subparagraph (D) of section 103(b)(15) of the Code (as added by section 623 of the bill), strike out “principal user of” and insert in lieu thereof “a principal user of”.

(130) In clause (ii) of section 103(c)(6)(F) of the Code (as added by section 624 of the bill)—

(A) strike out “Notwithstanding subparagraph (D)” and insert in lieu thereof “Under regulations prescribed by the Secretary”, and

(B) strike out “this paragraph only” and insert in lieu thereof “this clause only”.

(131) In the heading of section 625 of the bill, strike out “BOND” and insert in lieu thereof “BONDS” and amend the table of contents accordingly.

(131A) In section 625(a)(3)(C) of the bill, strike out “section 625(c)(5)” and insert in lieu thereof “section 626(b)(4)”.

(132) In the paragraph heading of paragraph (3) of section 103(o) of the Code (as added by section 626(a) of the bill), strike out “student loans” and insert in lieu thereof “student loan bonds”.

(133) In subsection (b) of section 626 of the bill, redesignate paragraphs (4), (5), (6), and (7) as paragraphs (3), (4), (5), and (6), respectively.

(134) In section 626(b)(5) of the bill (as redesignated by this resolution), strike out “amounts made” and insert in lieu thereof “amendments made”.

(135) In subparagraph (C) of section 103(b)(16) of the Code (as added by section 627(a) of the bill), strike out “port development project” and insert in lieu thereof “port development project which consists of facilities described in paragraph (4)(D)”.

(136) In paragraph (17) of section 103(b) of the Code (as added by section 627(b) of the bill), strike out the quotation marks at the end of subparagraph (C)(iii) and add at the end thereof the following new subparagraph:

“(D) SPECIAL RULE FOR CERTAIN PROJECTS.—In the case of a project involving 2 or more buildings, this paragraph shall be applied on a project basis.”

(137) Strike out paragraphs (2) and (3) of section 628(a) of the bill and insert in lieu thereof the following:

“(2) Subparagraph (B) of section 103(m)(2) is amended to read as follows:

“(B) is exempt from tax under this title without regard to any provision of law which is not contained in this title and which is not contained in a revenue Act.”

“(3) Subsection (m) of section 103 is amended by adding at the end thereof the following new paragraph:

“(3) EXCEPTIONS.—The following obligations shall be treated as obligations described in paragraph (1) (without regard to the second sentence thereof):

“(A) Any obligation issued pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of the enactment of the Tax Reform Act of 1984.

“(B) Any obligation issued pursuant to section 608(6)(A) of Public Law 97-468.

“(C) Any obligation issued before June 19, 1984, under section 11(b) of the United States Housing Act of 1937.”

(138) At the end of section 628 of the bill, add the following new subsection:

“(h) SMALL ISSUE LIMIT IN CASE OF CERTAIN URBAN DEVELOPMENT ACTION GRANTS.—In the case of any obligation issued on December 11, 1981, section 103(b)(6)(I) of the Internal Revenue Code of 1954 shall be applied by substituting ‘\$15,000,000’ for ‘\$10,000,000’ if—

“(1) such obligation is part of an issue,

“(2) substantially all of the proceeds of such issue are used to provide facilities with respect to which an urban development action grant under section 119 of the Housing and Community Development Act of 1974 was preliminarily approved by the Secretary of Housing and Urban Development on January 10, 1980, and

“(3) the Secretary of Housing and Urban Development determines, at the time such grant is approved, that the amount of such grant will equal or exceed 5 percent of the total capital expenditures incurred with respect to such facilities.”

(139) In paragraph (1) of section 631(c) of the bill, strike out “this section” and insert in lieu thereof “this subtitle”.

(140) In clause (ii) of section 631(c)(3)(A) of the bill, strike out “significant expenditure” and insert in lieu thereof “significant expenditures”.

(141) In section 631(c)(4) of the bill, strike out “section 628(j)” and insert in lieu thereof “section 628(g)”.

(142) Strike out paragraphs (1) and (2) of section 631(d) of the bill and insert in lieu thereof the following:

“(1) Any property described in paragraph (5), (6), or (7) of section 31(g) of this Act.

“(2) Any property described in paragraph (4), (8), or (17) of section 31(g) of this Act but only if the obligation is issued before January 1, 1985, and only if before June 19, 1984, the issuer had evidenced an intent to issue obligations exempt from taxation under the Internal Revenue Code of 1954 in connection with such property.”

(143) In subsection (f) of section 631 of the bill—

(A) strike out “June 1, 1984” and insert in lieu thereof “June 19, 1984”, and

(B) strike out “such issues” and insert in lieu thereof “such issue”.

(144) In subsection (a) of section 632 of the bill, strike out "title" each place it appears and insert in lieu thereof "subtitle".

(145) In paragraph (6) of section 632(a) of the bill, strike out "November 23, 1983" and insert in lieu thereof "November 3, 1983".

(146) In paragraph (6) of section 632(a) of the bill, strike out "issued pursuant to" and insert in lieu thereof "issued in connection with".

(147) In subsection (d) of section 632 of the bill—

(A) strike out "were issued with respect to" and insert in lieu thereof "are issued with respect to", and

(B) strike out "or any facility related to such facility".

(148) In subsection (b) of section 644 of the bill, strike out "take into account in 1984" and insert in lieu thereof "use in 1984".

(149) In subsection (a) of section 646 of the bill, strike out "a hearing and".

(150) In section 647 of the bill, strike out "any other provision of law" and insert in lieu thereof "any other provision of law, in the case of obligations issued before July 1, 1987".

(151) In paragraph (3) of section 712(k) of the bill, strike out subparagraph (B) and insert in lieu thereof the following:

"(B) by inserting 'or' at the end of subparagraph (C), and".

(152) In paragraph (2) of section 1362(e) of the Code, as amended by section 721(g)(2) of the bill, strike out "paragraphs (3) and (6)(C)" and insert in lieu thereof "paragraph (3) and subparagraphs (C) and (D) of paragraph (6)".

(153) In subsection (a) of section 518 of the Highway Revenue Act of 1982, as amended by section 734(i) of the bill, insert ", except as provided in regulations prescribed by the Secretary of the Treasury or his delegate," before "any Federal Reserve Bank".

(154) In paragraph (2) of section 921(d) of the Code (as added by section 801 of the bill), insert "or accrued" after "received".

(155) In paragraph (3) of section 921(d) of the Code (as added by section 801(a) of the bill), insert "or accrued" after "received".

(156) In section 921(d) of the Code (as added by section 801(a)) strike out "the conduct of" in the matter following paragraph (3).

(157) In clause (i) of section 922(a)(1)(D) (as added by section 801(a) of the bill), insert before the comma at the end thereof "or in any possession of the United States".

(158) In the last sentence of section 924(a) of the Code (as added by section 801(a) of the bill), insert "derived" before "from activities".

(159) In paragraph (3) of section 927(e) of the Code (as added by section 801(a) of the bill) strike out "credited or organized" and insert in lieu thereof "created or organized".

(160) In section 927(e) of the Code (as added by section 801(a) of the bill), strike out paragraph (5) and insert:

"(5) EXEMPTION FROM CERTAIN OTHER TAXES.—No tax shall be imposed by any jurisdiction described in subsection (d)(5) on any foreign trade income derived before January 1, 1987."

(161) In section 801(d) of the bill, add at the end thereof the following new paragraphs:

"(11) Section 936(f) (relating to DISC or former DISC ineligible for credit) is amended to read as follows:

"(f) LIMITATION ON CREDIT FOR DISC'S AND FSC'S.—No credit shall be allowed under this section to a corporation for any taxable year—

“(1) for which it is a DISC or former DISC, or

“(2) in which it owns at any time stock in a—

“(A) DISC or former DISC, or

“(B) FSC or former FSC.”

“(12) Section 6011(c) (relating to returns of DISC's and former DISC's) is amended—

“(A) by inserting ‘or a FSC or former FSC’ after ‘former DISC’ in paragraph (1), and

“(B) by inserting ‘and FSC's and Former FSC's’ after ‘Former DISC's’ in the heading thereof.

“(13) Section 6072(c) (relating to returns by nonresident alien individuals and foreign corporations) is amended by inserting ‘or a FSC or former FSC’ after ‘United States’.

“(14) Section 6501(g)(3) (relating to income tax returns of DISCs) is amended by striking out ‘section 6011(e)(2)’ and inserting in lieu thereof ‘section 6011(c)(2)’.

“(15)(A) Section 6686 (relating to failure of DISC to file returns) is amended—

(i) by striking out ‘section 6011(e)’ and inserting in lieu thereof ‘section 6011(c)’, and

(ii) by striking out the heading thereof and inserting in lieu thereof the following:

“SEC. 6686. FAILURE TO FILE RETURNS OR SUPPLY INFORMATION BY DISC OR FSC.”

“(B) The table of sections for subchapter B of chapter 68 is amended by striking out the item relating to section 6686 and inserting in lieu thereof the following new item:

“Sec. 6686. Failure to file returns or supply information by DISC or FSC.”

(162) Section 995(f)(2)(B) (as added by section 802(a)(3)) is amended by striking out “and carrybacks of losses and credits”.

(163) In section 805(b)(2)(A) of the bill, insert “with respect to which there had previously been a deemed distribution to which section 996(e)(1) of such Code applied” immediately before the period at the end thereof.

(164) In paragraph (2) of section 4051(d) of the Code, as amended by section 921 of the bill, strike out subparagraph (B) and insert in lieu thereof the following:

“(B)(i) both the seller and the purchaser of which are registered in a manner similar to registration under section 4222, and

“(ii) with respect to which the purchaser certifies (at such time and in such form and manner as the Secretary prescribes by regulations) to the seller that such trailer or semitrailer—

“(I) will be used, or resold for use, principally in connection with such service, or

“(II) will be incorporated into an article which will be so used or resold.”

(165) Strike out section 1020 of the bill.

(166) Strike out the item relating to section 1020 in the table of contents of the bill.

(167) In clause (iii) of section 6166(b)(9)(B) of the Code, as added by section 1021 of the bill, insert before the period at the end of the first sentence "for purposes of clause (ii)".

(168) In clause (i) of section 1034(c)(2)(B) of the bill, strike out "account of interest" and insert in lieu thereof "number of units".

(169) In clause (iii) of section 1034(c)(2)(B) of the bill, strike out "amount of interests" and insert in lieu thereof "number of units".

(170) In subsection (j) of section 51 of the Code, as added by subsection (c) of section 1041 of the bill—

(A) strike out "allowable under section 44B" in paragraph (1) thereof and insert in lieu thereof "under this section", and

(B) strike out "allowed under section 44B" in paragraph (2) thereof and insert in lieu thereof "determined under this section".

(171) In paragraph (1) of section 1072(c) of the bill, strike out "section 6056(c)" and insert in lieu thereof "section 6053(c)".

(172) In section 1079 of the bill, strike out all that follows the parenthetical material and insert in lieu thereof " , as amended by section 2813 of the bill, is amended by striking out subparagraph (A) thereof and inserting in lieu thereof the following:

"(A) is exempt from Federal income taxes—

"(i) under such Act as amended and supplemented before the date of the enactment of the Tax Reform Act of 1984, or

"(ii) under this title without regard to any provision of law which is not contained in this title and which is not contained in a revenue Act, or

(173) Section 217 of the bill is amended by adding at the end thereof the following new subsection:

"(n) SPECIAL RULE FOR COMPANIES USING NET LEVEL RESERVE METHOD FOR NONCANCELLABLE ACCIDENT AND HEALTH INSURANCE CONTRACTS.—A company shall be treated as meeting the requirement of section 807(d)(3)(A)(iii) of the Internal Revenue Code of 1954, as amended by this Act, with respect to any noncancellable accident and health insurance contract for any taxable year if such company—

"(1) uses the net level reserve method to compute its tax reserves under section 807 of such Code on such contracts for such taxable year,

"(2) was using the net level reserve method to compute its statutory reserves on such contracts as of December 31, 1982, and

"(3) has continuously used such method for computing such reserves on such contracts after December 31, 1982, and through such taxable year."

(174) In section 521 of the bill redesignate subsection (d) as subsection (e) and insert after subsection (c) the following new subsection:

"(d) CERTAIN DISTRIBUTION REQUIREMENTS TO APPLY TO 5-PERCENT OWNERS RATHER THAN KEY EMPLOYEES.—Section 72(m)(5) (relating to penalties applicable to certain amounts received by owner-employees) is amended—

"(1) by striking out 'key employee' each place it appears in subparagraph (A) and inserting in lieu thereof '5-percent owner';

"(2) by striking out 'in a top-heavy plan' in clause (i) of subparagraph (A), and

“(3) by striking out ‘the terms “key employee” and “top-heavy plan”’ in subparagraph (C) and inserting in lieu thereof ‘the term “5-percent owner”.’”

(175) In section 168(b)(4)(A) of the Code (as added by section 111(b)(1) of the bill), insert “(without regard to the mid-month convention)” after “paragraph (2)” in the matter preceding clause (i).

(176) In paragraphs (2) and (3)(C) of section 1042(b) of the Code (as added by section 541(a) of the bill), strike out “qualified securities” and insert “employer securities (within the meaning of section 409(1))”.

(177) In section 4978 of the Code (as added by section 545(a))—

(A) strike out “qualified securities” in paragraph (1) of subsection (a) and insert “employer securities”,

(B) strike out “qualified securities” the second place it appears in paragraph (2) of subsection (a) and insert “employer securities”,

(C) amend subsection (e)(1) to read as follows:

“(1) EMPLOYEE STOCK OWNERSHIP PLAN.—The term ‘employee stock ownership plan’ has the meaning given to such term by section 4975(e)(7).”

(D) strike out the closing quotation marks at the end of subsection (e)(4), and

(E) insert at the end of subsection (e) the following:

“(5) EMPLOYER SECURITIES.—The term ‘employer securities’ has the meaning given to such term by section 409(1).”

(178) In section 1276(a)(2)(A) of the Code (as added by section 41(a) of the bill), insert “(determined without regard to paragraph (2) thereof)” after “section 1272(a)”.

(179) In section 48(a)(5)(B)(ii)(II) of the Code (as amended by section 31(b) of the bill), strike out “section 48(a)(2)(B)(vi)” and insert “section 48(a)(2)(B)(v)”.

(180) In section 112(b)(2) of the bill, strike out “act” and insert “section”.

(181) In subparagraph (D) of section 31(g)(15) of the bill, strike out “passenger” in the matter preceding clause (i).

(182) In section 111(g) of the bill, insert the following new paragraph at the end thereof:

“(5) SPECIAL RULE FOR MID-MONTH CONVENTION.—In the case of the amendment made by subsection (d)—

“(A) paragraph (1) shall be applied by substituting ‘June 22, 1984’ for ‘March 15, 1984’, and

“(B) paragraph (2) shall be applied by substituting ‘June 23, 1984’ for ‘March 16, 1984’ each place it appears.”

(183) In paragraph (3) of section 523(b) of the Highway Revenue Act of 1982 (as amended by section 734(a)(2)(A) of the bill) strike out “solely by reason of the parenthetical matter in paragraph (1)” and insert in lieu thereof “solely by reason of the amendment made by subsection (a)(1) or (d) of section 734 of the Tax Reform Act of 1984”.

(184) Insert at the end of section 112(b), the following new paragraph:

“(3) SPECIAL RULE FOR CERTAIN DISPOSITIONS BEFORE OCTOBER 1, 1984.—The amendments made by this section shall not apply to any disposition before October 1, 1984, of all or substantially all of the personal property of a cable television business pursuant to a written offer delivered by the seller on June 20, 1984, but

only if the last payment under the installment contract is due no later than October 1, 1989."

DIVISION B—SPENDING REDUCTION ACT OF 1984

(a) In title III of Division B of the bill—

(1) In the clause (D) amended by section 2303(a) of the bill, strike out the semicolon and insert in lieu thereof a comma.

(2) In section 2303(b)(1) of the bill, strike out "(c)" and insert in lieu thereof "(C)".

(3) In subsection (h) of section 1833 of the Social Security Act (as amended by section 2303(d) of the bill)—

(A) insert "of" in paragraph (5)(A)(ii) after "in the case",

(B) insert "in accordance with section 1842(b)(6)(B)," in paragraph (5)(C) after "1842(b)(3)(B)(ii)," and

(C) strike out "which is not paid" in paragraph (6) and insert in lieu thereof "payment for which is not made".

(4) In section 2303(i)(1)(A) of the bill, strike out "services" and insert in lieu thereof "tests".

(5) In section 2304(a)(1) of the bill, insert "of the Health and Human Services" after "Secretary".

(6) In section 1862(h)(4) of the Social Security Act (as added by section 2304(c) of the bill), insert "paragraphs (2) and (3) of" before "subsection (d)".

(7) In section 1842(b)(4)(D) of the Social Security Act (as added by section 2306(a) of the bill), strike out "who is not a participating physician" and all that follows through "October 1, 1984" and insert in lieu thereof "who at no time for any services furnished during the 12-month period beginning October 1, 1984, was a participating physician (as defined in subsection (h)(1))".

(8) In section 2306(c) of the bill, insert "as amended by section 2303(e) of this title," after "Section 1842 of such Act".

(9) Redesignate subsections (j), (k), and (l) of section 1842 of the Social Security Act (added by section 2306(c) of the bill) as subsections (h), (i), and (j), respectively.

(10) In section 1842(i) of the Social Security Act (as added by inserting 2306(c) of the bill and as redesignated under the previous paragraph in this concurrent resolution)—

(A) strike out "subsection (j)(1)" in paragraph (2) and insert in lieu thereof "subsection (h)(1)", and

(B) insert "list and" before "directory" each place it appears in paragraphs (3) and (4).

(11) In section 1128(a)(2)(C) of the Social Security Act (as added by section 2306(f)(1) of the bill), strike out "1842(j)(1)" and insert in lieu thereof "1842(h)(1)".

(12) In section 1877(d) of the Social Security Act (as amended by section 2306(f)(2)(A) of the bill), strike out "1842(j)(1)" and insert in lieu thereof "1842(h)(1)".

(13) In section 2309(b) of the bill, strike out "and used by them in making the 1984 reasonable charge updates" and insert in lieu thereof "for charges in 1983".

(14) In the matter added at the end of section 1886(d)(5)(C)(i) of the Social Security Act by section 2311(a) of the bill, strike out "in case" and insert in lieu thereof "in the case".

(15) In the matter added at the end of section 1886(d)(2)(D) of the Social Security Act by section 2311(b) of the bill, strike out "majority" and insert in lieu thereof "the largest number".

(16) In section 2311(d)(2) of the bill, strike out "reclassified under" and insert in lieu thereof "the region of which is deemed to be changed pursuant to".

(17) In section 2312(b) of the bill, insert "costs of" before "anesthesia" in the matter proposed to be inserted and strike out "education" and insert in lieu thereof "educational".

(18) In the matter inserted by section 2313(b)(2) of the bill, strike out "U.S.C" and insert in lieu thereof "U.S.C."

(19) In the matter added to section 1886(e)(6)(C) of the Social Security Act by section 2313(b)(3) of the bill, strike out "the" before "such meeting".

(20) In section 2313(c) of the bill, insert ", as amended by section 2304(c) of this title," after "1862 of such Act".

(21) In section 1861(v)(1)(O)(i) of the Social Security Act (added by section 2314(a) of the bill), strike out "the first owner of record on or after the date of the enactment of this subparagraph" and insert in lieu thereof "the owner of record as of the date of the enactment of this subparagraph (or, in the case of an asset not in existence as of such date, the first owner of record of the asset after such date)".

(22) In sections 2314(c)(3)(B) and 2367(c)(2) of the bill, strike out "the additional requirements" and "these additional requirements" and insert in lieu thereof "the additional requirement" and "this additional requirement", respectively.

(23) In the matter proposed to be inserted in section 1886(c)(4)(A) of the Social Security Act by section 2315(a) of the bill, insert a comma after "(D)".

(24) In section 2315(c)(2), strike out the comma after "fiscal year".

(25) In section 2315(h)(1) of the bill, strike out "hospital that serves" and insert in lieu thereof "hospitals that serve".

(26) In section 2316(c) of the bill, insert "on" after "Congress".

(27) In section 2321(d)(4)(B) of the bill, strike out "1888" and insert in lieu thereof "1889".

(28) In section 2321(f)(1) of the bill, insert "subparagraphs" after "(B) and (C) as".

(29)(A) Move the alignment of the left margin of the subparagraph (B) added by section 2323(a)(3) of the bill so that the subparagraph is indented two ems from the left margin.

(B) In section 2323(b) of the bill, strike out paragraph (3) and redesignate paragraph (4) as paragraph (3).

(30) In section 2326(a) of the bill, strike out "1984 and 1985" and insert in lieu thereof "1985 and 1986".

(31) In section 2326(b) of the bill, strike out "such Act" and insert in lieu thereof "the Social Security Act".

(32) In section 2326(e)(1)(A) of the bill, strike out "Health Care Financing Administrator" and insert in lieu thereof "Administrator of the Health Care Financing Administration".

(33) In section 1861(dd)(5)(B) of the Social Security Act (as added by section 2343(b) of the bill), insert "the date" after "60 days after".

(34) In section 1876(g)(5) of the Social Security Act (as added by section 2350(b)(2) of the bill), insert "the" before "Federal Supplementary".

(35) In section 2350(b)(3) of the bill, strike out "use" and insert in lieu thereof "establishment" and insert "contract" after "Act for any".

(36) In the matter inserted by section 2350(c)(2) of the bill, strike out "another" and insert in lieu thereof "or other".

(37) In section 2354(b)(14) of the bill, strike out "ninth" and insert in lieu thereof "seventh".

(38) In section 2361(a) of the bill, strike out "1902(a)(10)(A)(i)" and insert in lieu thereof "1902(a)(10)(A)".

(39) In section 2363(b) of the bill, strike out "Such section" and insert in lieu thereof "Section 1903 of such Act".

(40) In section 2363(c) of the bill, strike out "this section" and insert in lieu thereof "such subsection".

(41) In section 1903(m)(2)(F)(ii)(I) of the Social Security Act (as added by section 2364(2) of the bill), strike out "or has received" and insert in lieu thereof "or is receiving (and has received during the previous two years)".

(42) In section 1902(a)(26) of the Social Security Act (as amended by section 2368(b) of the bill), insert a comma before "provide—".

(43) In section 1622(c)(2)(B)(iii) of the Public Health Service Act (as amended by section 2381(b) of the bill), strike out "changessionation" and insert in lieu thereof "changes of use".

(b) In title VI of Division B of the bill—

(1) In the table of contents for such Division, strike out the item relating to section 2643 and insert in lieu thereof the following:

"Part 2—GENERAL EFFECTIVE DATE

"Sec. 2646. General effective date."

(2) In section 2616 of the bill—

(A) insert "(a)" after "SEC. 2616."; and

(B) add at the end of the section the following new subsection:

"(b) The amendment made by subsection (a) shall become effective on the date of the enactment of this Act."

(3) In section 2638(a)(3)(B) of the bill, strike out the colon after "thereof".

(4) In the heading of section 2640 of the bill, strike out "DISREGARD OF".

(5) In section 2651(a) of the bill (at the beginning of the new section being added to part A of title XI of the Social Security Act), strike out "SEC. 1136." and insert in lieu thereof "SEC. 1137."

(6) In section 2661(1)(3) of the bill, strike out the parenthesis after "Act".

(7) In section 2662(h) of the bill—

(A) insert "(1)" after "(h)";

(B) strike out "further"; and

(C) strike out "(3) The amendments" and insert in lieu thereof "(2) The amendment".

(8) In section 2681 of the bill—

(A) in subsection (a) (in subsection (d) of section 7652 of the Internal Revenue Code of 1954 as added by such subsection (a)), strike out "subsection (a)(3) and (b)(3)" and insert in lieu thereof "subsections (a)(3) and (b)(3)";

(B) in subsection (b)(2)(B), before the period at the end of clause (ii), insert ", and which would not meet the requirements of section 7652(c) of such Code"; and

(C) in subsection (b), strike out paragraphs (2)(C) and (3) and insert in lieu thereof the following:

“(C) \$75,000,000 LIMITATION.—The aggregate amount payable to Puerto Rico by reason of subparagraph (A) shall not exceed \$75,000,000 in the case of articles—

“(i) brought into the United States after June 30, 1984, and before January 1, 1985,

“(ii) which would not meet the requirements of section 7652(c) of such Code,

“(iii) which have been redistilled in Puerto Rico, and

“(iv) which do not contain distilled spirits derived from cane.

“(3) LIMITATION ON INCENTIVE PAYMENTS TO UNITED STATES DISTILLERS.—

“(A) IN GENERAL.—In the case of articles to which this paragraph applies, the aggregate amount of incentive payments paid to any United States distiller with respect to such articles shall not exceed the limitation described in subparagraph (C).

“(B) ARTICLES TO WHICH PARAGRAPH APPLIES.—This paragraph shall apply to any article containing distilled spirits described in clauses (i) through (iv) of paragraph (2)(C).

“(C) LIMITATION.—

“(i) IN GENERAL.—The limitation described in this subparagraph is \$1,500,000.

“(ii) SPECIAL RULE.—The limitation described in this subparagraph shall be zero with respect to any distiller who was not entitled to or receiving incentive payments as of March 1, 1984.

“(D) PAYMENTS IN EXCESS OF LIMITATION.—If any United States distiller receives any incentive payment with respect to articles to which this paragraph applies in excess of the limitation described in subparagraph (C), such distiller shall pay to the United States the total amount of such incentive payments with respect to such articles in the same manner, and subject to the same penalties, as if such amount were tax due and payable under section 5001 of such Code on the date such payments were received.

“(E) INCENTIVE PAYMENTS.—

“(i) IN GENERAL.—For purposes of this paragraph, the term ‘incentive payment’ means any payment made directly or indirectly by the Commonwealth of Puerto Rico to any United States distiller as an incentive to engage in redistillation operations.

“(ii) TRANSPORTATION PAYMENTS EXCLUDED.—Such term shall not include any payment of a direct cost of transportation to or from Puerto Rico with respect to any article to which this paragraph applies.”

(9) In section 2601(c) of the bill, after “United States Code,” insert “or to another retirement system established by a law of the United States for employees of the Federal Government (other than for members of the uniformed services),”.

(10) In section 2612(b) of the bill, strike out “date of the enactment of this Act” and insert in lieu thereof “effective date of this section”.

- (11) In subsections (a)(1) and (a)(2) of section 2653 of the bill, renumber the new section being added to title 31 of the United States Code as section 3720A.
- (c) In title VIII of Division B of the bill—
- (1) In section 2813(b)(1) of the bill—
- (A) strike out “is amended by redesignating” and all that follows down through the colon and insert in lieu thereof the following: “, as amended by section 1032(a) of this Act, is amended by redesignating subsection (l) as subsection (m) and by adding after subsection (k) the following new subsection:”; and
- (B) strike out “(k)” at the beginning of the new subsection being added to section 501 of the Internal Revenue Code of 1954 and insert in lieu thereof “(l)”.
- (2) In section 2813(b)(2) of the bill, in the new paragraph (1) being added to section 501(c) of the Internal Revenue Code of 1954, strike out “subsection (k)” in subparagraph (B) of such paragraph and insert in lieu thereof “subsection (l)”.
- (d) In title IX of Division B of the bill—
- (1) In section 2904 of the bill, strike out “section 1609” and insert in lieu thereof “section 2903”.
- (2) In section 2905(a)(3) of the bill, before the first period insert “would improve the accuracy of budget estimates used by the Congress”.

SEC. 2. In the enrollment of the bill (H.R. 4170) to provide for tax reform, and for other purposes, the Clerk of the House of Representatives may correct spelling, punctuation, size type, indentions, margins, paragraphing, quotation marks, numbering and lettering, cross references, and similar typographical matters.

Agreed to June 29, 1984.

July 24, 1984

[H. Con. Res. 332]

**YELENA BONNER AND ANDREI SAKHAROV—
U.S. SUPPORT FOR RELEASE FROM
IMPRISONMENT AND EMIGRATION FROM U.S.S.R.**

Whereas the Helsinki Final Act of the Conference on Security and Cooperation in Europe commits the signatory countries to respect human rights and fundamental freedoms;

Whereas the signatory countries have pledged themselves to “fulfill in good faith their obligations under international law”;

Whereas the Universal Declaration of Human Rights guarantees to all the rights of freedom of thought, conscience, religion, opinion, and expression;

Whereas the International Covenant on Civil and Political Rights guarantees that everyone shall have the right to freedom of thought, conscience, and religion, the right to hold opinions without interference, and the right of freedom of expression;

Whereas the Union of Soviet Socialist Republics signed the Helsinki Final Act of the Conference on Cooperation and Security in Europe, is obligated to respect the Universal Declaration of Human Rights, and has ratified the International Covenant on Civil and Political Rights;

Whereas Principle VII of the Helsinki Final Act specifically confirms the "right of the individual to know and act upon his rights and duties" in the field of human rights, and Principle IX confirms the relevant and positive role individuals play in the implementation of the provisions of the Helsinki Final Act;

Whereas Nobel Laureate Andrei Sakharov, leader of the human rights movement in the Soviet Union, was arrested and exiled to Gorky in direct contravention of Principle VII of the Helsinki Final Act, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights;

Whereas Dr. Sakharov's wife, Yelena Bonner, has been charged with anti-Soviet agitation and is in urgent need of medical treatment unavailable in the Soviet Union;

Whereas Dr. Sakharov, as a last resort, on May 2, 1984, began a hunger strike to protest the Soviet Government's harassment of his wife, Yelena Bonner, and that Government's refusal to grant her an exit visa for the purpose of obtaining medical treatment abroad; and

Whereas the exact whereabouts, health, and legal status of both Dr. Sakharov and Yelena Bonner have been kept secret by the Soviet Government: Now, therefore, be it

Resolved by the House of Representatives (the Senate concurring), That it is the sense of the Congress that in light of the Helsinki Final Act of the Conference on Security and Cooperation in Europe, the Universal Declaration of Human Rights, and the International Covenant on Civil and Political Rights, the Union of Soviet Socialist Republics—

(1) should provide the signatories of the Helsinki Final Act with specific information as to the whereabouts, health, and legal status of Andrei Sakharov and Yelena Bonner;

(2) should void all charges against Yelena Bonner and issue her an exit visa for the purpose of obtaining medical care outside the Soviet Union; and

(3) should allow Andrei Sakharov and Yelena Bonner to live in the country of their choice.

SEC. 2. The Congress urges the President—

(1) to protest, in the strongest possible terms and at the highest levels, the Soviet Government's continued refusal to provide specific information as to the whereabouts, health, and legal status of Andrei Sakharov and Yelena Bonner, and its continued refusal to issue her an exit visa; and

(2) to call upon all other signatory nations of the Helsinki Final Act of the Conference on Security and Cooperation in Europe to join in such protests.

SEC. 3. The Clerk of the House shall transmit copies of this resolution to the Soviet Ambassador to the United States and to the Chairman of the Presidium of the Supreme Soviet of the Union of Soviet Socialist Republics.

Agreed to July 24, 1984.