

Treasury decisions amending Regulations 113.

(T. D. 5284)

TITLE 26 -- INTERNAL REVENUE

CHAPTER I

SUBCHAPTER A -- PART 143

TAX ON AMOUNTS PAID FOR TRANSPORTATION OF
PROPERTY

Amendments relative to coal.

TREASURY DEPARTMENT,
Office of Commissioner of Internal Revenue,
Washington 25, D. C.

TO COLLECTORS OF INTERNAL REVENUE
AND OTHERS CONCERNED:

Paragraph 1. Section 143.1 of Regulations 113 [Part 143, Title 26, Code of Federal Regulations, 1943 Sup.] is amended by adding thereto a new subsection as follows:

(g) Preparation plant.--The term "preparation plant" means a plant operated in connection with mining operations at which coal is subjected to one or more processes, such as washing, crushing or sizing, intended to remove impurities or foreign matter or otherwise render the coal better suited for consumption, but not including a preparation plant operated as part of or in conjunction with any other establishment or place (such as a steel plant, coke oven, etc.) where coal is consumed as fuel or in the production of coke, briquettes, or other articles or materials.

Par. 2. The first three paragraphs of section 143.13 (b) of Regulations 113 are amended to read as follows:

(b) Coal.--An amount paid after December 1, 1942, with respect to the first transportation for hire originating on or after that date of coal is subject to tax, except that an amount paid for the transportation of coal from the mine to a preparation plant as defined in section 143.1 (g) is not taxable, but the tax attaches to the first subsequent transportation for hire of the coal.

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(This Treasury decision is issued under the authority contained in sections 3472 and 3791 of the Internal Revenue Code (53 Stat. 423 and 467, 26 U.S.C., 3472, 3791).)

NORMAN D. GANN,
Acting Commissioner of Internal Revenue.

Approved: July 13, 1943.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

(Filed with the Division of the Federal Register, July 14, 1943, 11:05 a.m.)

(T. D. 5312)

TITLE 26 -- INTERNAL REVENUE

CHAPTER I

SUBCHAPTER A -- PART 143

TAX ON AMOUNTS PAID FOR TRANSPORTATION OF PROPERTY

Governmental Exemption

TREASURY DEPARTMENT,
Office of Commissioner of Internal Revenue,
Washington 25, D. C.

In order to conform Regulations 113 /Part 143, Title 26, Code of Federal Regulations, 1943 Sup./ to Public Law 180 (78th Congress), approved November 4, 1943, Subpart D of such regulations is amended to read as follows:

SUBPART D -- GOVERNMENTAL EXEMPTIONS

SEC. 3475. TRANSPORTATION OF PROPERTY.--AS ADDED BY SECTION 620(a)
OF THE REVENUE ACT OF 1942.

(b) Exemption of Government Transportation.--The tax imposed under this section shall not apply to amounts paid by or to the United States or any agency or instrumentality of the United States for the transportation of property.

PUBLIC LAW 180--78th CONGRESS, 1st SESSION, APPROVED
NOVEMBER 4, 1943.

* * * * *

That section 3475(b) of the Internal Revenue Code (relating to the tax on the transportation of property) is amended to read as follows:

"(b) Government Transportation.--The tax imposed under this section shall not apply to amounts paid for the transportation of property to or from the Government of the United States, or any State, Territory, or political subdivision thereof, or the District of Columbia, or to amounts paid to the Post Office Department for the transportation of property."

SEC. 2. The amendment made by section 1 shall take effect with respect to amounts paid, on and after the first day of the first month which begins more than ten days after the date of the enactment of this Act, for the transportation of property on and after such first day.

(over)

SEC. 143.20. Amounts Paid for Transportation Originating Prior to December 1, 1943.--An amount paid for the transportation of property, where such transportation originated prior to December 1, 1943, is exempt from the tax (1) if paid directly to a carrier by the United States or any agency or instrumentality thereof, or by a State, or political subdivision thereof, or (2) if paid to the United States or any agency or instrumentality thereof. In either case an exemption certificate is not required.

SEC. 143.21. Amounts Paid for Transportation Originating on and after December 1, 1943.--An amount paid on or after December 1, 1943, for the transportation, originating on or after such date, of property to or from the Government of the United States, or any State, Territory, or political subdivision thereof, or the District of Columbia, is exempt from the tax. Where the shipping papers show the consignor or consignee to be the Government of the United States, or any State, Territory, or political subdivision thereof, or the District of Columbia, or an agency or instrumentality of any of the foregoing, such papers may be accepted by the carrier as proof of the exempt character of the shipment. A United States Government bill of lading may likewise be accepted as evidence of the exempt character of the shipment. In any case covered by the two preceding sentences, a certificate of exemption is not required.

All amounts paid to the Post Office Department for the transportation of property are exempt from the tax.

For penalties applicable to any person falsely claiming exemption under this section or section 143.20, see section 1718 of the Internal Revenue Code, made applicable to the tax on amounts paid for the transportation of property by section 3473 thereof.

(This Treasury Decision is issued under the authority of sections 3472 and 3791 of the Internal Revenue Code (53 Stat. 423, 467; 26 U. S. C. 3472, 3791) and Public Law 180 78th Congress), approved November 4, 1943.)

ROBERT E. HANNEGAN,

Commissioner of Internal Revenue.

Approved: December 16, 1943.

JOHN I. SULLIVAN,

Acting Secretary of the Treasury.

(Filed with the Division of the Federal Register December 17, 1943, 11:29 a.m.)

TITLE 26 -- INTERNAL REVENUE

CHAPTER I

SUBCHAPTER C -- PART 143

TAX ON THE TRANSPORTATION OF PROPERTY

Regulations 113 amended to conform
to the Revenue Act of 1943.

TREASURY DEPARTMENT,
Office of Commissioner of Internal Revenue,
Washington 25, D. C.

TO COLLECTORS OF INTERNAL REVENUE
AND OTHERS CONCERNED:

In order to conform Regulations 113 [Part 143, Title 26, Code of Federal Regulations, 1943 Sup.], relating to the tax on the transportation of property, to section 307 of the Revenue Act of 1943 (Public Law 235, 78th Congress), enacted February 25, 1944, such regulations are hereby amended as follows:

Paragraph 1. Section 143.0, Subpart A, is amended by changing the fourth paragraph to read as follows:

Subpart D deals with governmental exemptions.

Par. 2. Section 143.13 (a), Subpart C, is amended by changing the seventh paragraph to read as follows:

The tax does not apply: (1) to an amount paid outside the United States for the transportation of property from a point without the United States to a point within the United States; (2) to an amount paid by a carrier, freight forwarder, express company, or similar person for the transportation of property with respect to which a tax is payable to such carrier, freight forwarder, express company, or similar person; or (3) to an amount paid for the transportation of property in course of exportation or shipment to a possession of the United States and actually so exported or shipped (see section 143.30). For governmental exemptions see Subpart D.

Par. 3. Subpart D, as amended by Treasury Decision 5312, approved December 16, 1943, is further amended to read as follows:

SUBPART D--GOVERNMENTAL EXEMPTIONS

SEC. 3475. TRANSPORTATION OF PROPERTY.--AS ADDED BY SECTION 620 (a)
OF THE REVENUE ACT OF 1942.

(b) Exemption of Government Transportation.--The tax imposed under this section shall not apply to amounts paid by or to the United States

(Over)

or any agency or instrumentality of the United States for the transportation of property.

PUBLIC LAW 180--78th CONGRESS, 1st SESSION, APPROVED NOVEMBER 4, 1943.

* * * * *

That section 3475 (b) of the Internal Revenue Code (relating to the tax on the transportation of property) is amended to read as follows:

"(b) Government Transportation.--The tax imposed under this section shall not apply to amounts paid for the transportation of property to or from the Government of the United States, or any State, Territory, or political subdivision thereof, or the District of Columbia, or to amounts paid to the Post Office Department for the transportation of property."

SEC. 2. The amendment made by section 1 shall take effect with respect to amounts paid, on and after the first day of the first month which begins more than ten days after the date of the enactment of this Act, for the transportation of property on and after such first day.

SEC. 307. TERMINATION OF CERTAIN GOVERNMENTAL EXCISE TAX EXEMPTIONS. (Revenue Act of 1943, enacted February 25, 1944, Title III.)

(a) The several sections of the Internal Revenue Code hereinafter enumerated are amended as follows:

* * * * *

(9) Section 3475 (b) (relating to governmental exemption from tax with respect to transportation of property) is amended to read as follows:

"(b) Exemption of Government Transportation.--The tax imposed under this section shall not apply to (1) amounts paid for the transportation of property to or from the government of a State, Territory of the United States, or political subdivision thereof, or the District of Columbia, or any corporation created by Act of Congress to act in matters of relief under the treaty of Geneva of August 22, 1864, (2) amounts paid to the Post Office Department for the transportation of property, or (3) amounts paid by or to the War Shipping Administration for the transportation of property by water from one point in the United States to another, except between points on the Great Lakes."

(b) Period With Respect to Which Applicable.-- * * * the amendments made by this section shall apply as follows:

* * * * *

(5) The amendments of sections * * * 3475 (b) of the Internal Revenue Code shall be applicable only with respect to amounts paid on or after the first day of the first month which begins three months or more after the date of the enactment of this Act, except that the amendment of such section 3475 (b), insofar as it relates to the exemption of amounts paid by or to the War Shipping Administration, shall be applicable for the period beginning December 1, 1943, and ending of the first day of the first month which begins six months or more after the date of the termination of hostilities in the present war.

(6) For the purposes of this subsection the term "date of the termination of hostilities in the present war" means the date proclaimed by the President as the date of such termination, or the date specified in a concurrent resolution of the two Houses of Congress as the date of such termination, whichever is the earlier.

* * * * *

Sec. 143.20 United States Government: General provisions.--An amount paid prior to June 1, 1944, for the transportation of property, where such transportation originated prior to December 1, 1943, is exempt from the tax (1) if paid directly to a carrier by the United States or any agency or instrumentality thereof, or (2) if paid to the United States or any agency or instrumentality thereof. In either case an exemption certificate is not required.

An amount paid during the period December 1, 1943, to May 31, 1944, inclusive, for the transportation, originating on or after December 1, 1943, of property to or from the Government of the United States, is exempt from the tax. Where the shipping papers show the consignor or consignee to be the Government of the United States, or an agency or instrumentality thereof, such papers may be accepted by the carrier as proof of the exempt character of the shipment. A United States Government bill of lading may likewise be accepted as evidence of the exempt character of the shipment. No exemption certificate is required.

For additional exemptions affecting the Post Office Department, the War Shipping Administration, and The American National Red Cross see sections 143.21 to 143.23, inclusive.*

Sec. 143.21 Post Office Department.--All amounts paid to the Post Office Department for the transportation of property are exempt from the tax.*

Sec. 143.22 War Shipping Administration.--An amount paid directly to a carrier by the War Shipping Administration, or an amount paid to the War Shipping Administration for the transportation of property by water from one point in the United States to another, except between points on the Great Lakes, is exempt from the tax.

The exemptions under this section shall apply only to amounts paid during the period beginning December 1, 1943, and ending on the first day of the first month which begins six months or more after the date of the termination of hostilities in the present war.*

Sec. 143.23 The American National Red Cross.--An amount paid on or after December 1, 1943, for the transportation, originating on or after such date, of property to or from The American National Red Cross, is exempt from the tax.*

Sec. 143.24 States, Territories, etc.--An amount paid directly to a carrier by a State, or political subdivision thereof, for the transportation of property is exempt from the tax.

(over)

An amount paid on or after December 1, 1943, for the transportation, originating on or after such date, of property to or from the government of a State, Territory of the United States, or political subdivision thereof, or the District of Columbia, is exempt from the tax. Where the shipping papers show the consignor or consignee to be a State, Territory, or political subdivision thereof, or the District of Columbia, or an agency or instrumentality of any of the foregoing, such papers may be accepted by the carrier as proof of the exempt character of the shipment.

No certificate of exemption is required.*

Sec. 143.25. Penalties.—For penalties applicable to any person falsely claiming exemption under sections 143.20 to 143.24, inclusive, see section 1718 of the Internal Revenue Code, made applicable to the tax on amounts paid for the transportation of property by section 3473 thereof. (See Subpart H.)*

(This Treasury decision is issued under the authority contained in sections 3472 and 3791 of the Internal Revenue Code (53 Stat. 423, 467; 26 U. S. C., 1940 ed., 3472, 3791) and section 307 of the Revenue Act of 1943 (Public Law 235, 78th Congress).)

HAROLD N. GRAVES,
Acting Commissioner of Internal Revenue.

Approved: April 1, 1944.

JOHN L. SULLIVAN,
Acting Secretary of the Treasury.

(Filed with the Division of the Federal
Register April 1, 1944, 4:39 p. m.)