

A BILL

To extend certain privileges, exemptions and immunities to international organizations and to the officers and employees thereof, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That, for the purposes of this Act the term "international organization" shall include only public international organizations of which the United States is a member and which may have been certified by the Secretary of State in accordance with regulations promulgated by the President hereunder.

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SEC. 2. International organizations, the employees and officers of such organizations and representatives of foreign governments in or to them, shall enjoy the status, immunities, exemptions and privileges set forth in this section, as follows:

(a) International organizations shall, to the extent authorized by the instrument creating them, possess the capacity

(i) to contract;

(ii) to acquire and dispose of real and personal property;

(iii) to institute legal proceedings;

(b) International organizations, their property and their assets, wherever located, and by whomsoever held,

shall

shall enjoy immunity from every form of judicial process except to the extent that they may expressly waive their immunity for the purpose of any proceedings or by the terms of any contract;

(c) Property and assets of international organizations, wherever located and by whomsoever held, shall be immune from search, unless such immunity be expressly waived, and from confiscation. The archives of international organizations shall be inviolable;

(d) International organizations shall, insofar as concerns customs duties and internal revenue tax on imported articles, the registration of foreign agents and the treatment of official communications, be entitled to the privileges, exemptions and immunities accorded under similar circumstances to foreign governments.

SEC. 3. Pursuant to regulations prescribed by the Commissioner of Customs with the approval of the Secretary of the Treasury, the baggage and effects of alien officers and employees of international organizations, or of aliens designated by foreign governments to serve as their representatives in or to such organizations, or of the families, suites, and servants of such officers, employees or representatives shall be admitted without entry free of customs duty and free of internal revenue tax. Such persons shall not be detained or inconvenienced,

and

and their baggage and effects shall remain inviolate.

SEC. 4. The Internal Revenue Code is hereby amended as follows:

(a) Effective with respect to taxable years beginning after December 31, 1944, section 116 (a), relating to the exclusion from gross income of earned income from sources without the United States, is amended by inserting at the end of the parenthetical clause in paragraphs (1) and (2) the words "or international organizations".

(b) Effective with respect to taxable years beginning after December 31, 1943, section 116 (c), relating to the exclusion from gross income of income of foreign governments, is amended to read as follows:

"(c) INCOME OF FOREIGN GOVERNMENTS AND OF INTERNATIONAL ORGANIZATIONS.--The income of foreign governments or international organizations received from investments in the United States in stocks, bonds, or other domestic securities, owned by such foreign governments or by international organizations, or from interest on deposits in banks in the United States or moneys belonging to such foreign governments or international organizations, or from any other source within the United States."

(c) Effective with respect to taxable years beginning after December 31, 1943, section 116 (h) (1), relating to the exclusion from gross income of amounts paid employees

of foreign governments, is amended to read as follows:

"(1) RULE FOR EXCLUSION.--Wages, fees, or salary of any employee of a foreign government or of an international organization or of the Commonwealth of the Philippines (including a consular or other officer, or a nondiplomatic representative) received as compensation for official services to such government, international organization, or such Commonwealth--

"(A) If such employee is not a citizen of the United States, or is a citizen of the Commonwealth of the Philippines (whether or not a citizen of the United States); and

"(B) If, in the case of an employee of a foreign government or of the Commonwealth of the Philippines, the services are of a character similar to those performed by employees of the Government of the United States in foreign countries or in the Commonwealth of the Philippines, as the case may be; and

"(C) If, in the case of an employee of a foreign government or the Commonwealth of the Philippines, the foreign government or the Commonwealth grants an equivalent exemption to employees of the Government of the United States

performing

performing similar services in such foreign country or such Commonwealth, as the case may be."

(d) Effective January 1, 1945, section 1426 (b), defining the term "employment" for the purposes of the Federal Insurance Contributions Act, is amended (1) by striking out the word "or" at the end of subparagraph (14), (2) by striking out the period at the end of subparagraph (15) and inserting in lieu thereof a semicolon and the word "or", and (3) by inserting at the end of the subsection the following new subparagraph:

"(16) Service performed in the employ of an international organization."

(e) Effective January 1, 1945, section 1607 (c), defining the term "employment" for the purposes of the Federal Unemployment Tax Act, is amended (1) by striking out the word "or" at the end of subparagraph (14), (2) by striking out the period at the end of subparagraph (15) and inserting in lieu thereof a semicolon and the word "or", and (3) by inserting at the end of the subsection the following new subparagraph:

"(16) Service performed in the employ of an international organization."

(f) Section 1621 (a) (5), relating to the definition of "wages" for the purpose of collection of income tax at  
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the source, is amended by inserting after the words "foreign government" the words "or an international organization".

(g) Section 3466 (a), relating to exemption from communications taxes is amended by inserting immediately after the words "the District of Columbia" a comma and the words "or an international organization".

(h) Section 3469 (f) (1), relating to exemption from the tax on transportation of persons, is amended by inserting immediately after the words "the District of Columbia" a comma and the words "or an international organization".

(i) Section 3475 (b) (1), relating to exemption from the tax on transportation of property, is amended by inserting immediately after the words "the District of Columbia" a comma and the words "or an international organization".

SEC. 5. (a) Effective January 1, 1945, section 209 (b) of the Social Security Act, defining the term "employment" for the purposes of title II of the Act, is amended (1) by striking out the word "or" at the end of subparagraph (14), (2) by striking out the period at the end of subparagraph (15) and inserting in lieu thereof a semicolon and the word "or", and (3) by inserting at the end of the subsection the following new subparagraph:

"(16) Service performed in the employ of an international organization."

(b) No

(b) No tax shall be collected under title VIII or IX of the Social Security Act or under the Federal Insurance Contributions Act or the Federal Unemployment Tax Act, with respect to services rendered prior to January 1, 1945, which are described in subparagraph (16) of sections 1426 (b) and 1607 (c) of the Internal Revenue Code, as amended, and any such tax heretofore collected (including penalty and interest with respect thereto, if any) shall be refunded in accordance with the provisions of law applicable in the case of erroneous or illegal collection of the tax. No interest shall be allowed or paid on the amount of any such refund. No payment shall be made under title II of the Social Security Act with respect to services rendered prior to January 1, 1945, which are described in subparagraph (16) of section 209 (b) of such Act, as amended.

SEC. 6. International organizations shall be exempt from all property taxes imposed by, or under the authority of, any Act of Congress, including such Acts as are applicable solely to the District of Columbia or the Territories and from state or local taxes.

SEC. 7. (a) Persons designated by foreign governments to serve as their representatives in or to international organizations and the officers and employees of such organizations, and members of the immediate families of such representatives, officers and employees residing with them, other than nationals of the United States,

shall,

shall, insofar as concerns laws regulating entry into and departure from the United States, alien registration and fingerprinting, the registration of foreign agents, and selective training and service, be entitled to the same privileges, exemptions, and immunities as are accorded under similar circumstances to officers and employees, respectively, of foreign governments, and members of their families. Representatives of foreign governments in or to international organizations and officers and employees of such organizations shall be immune from suit and legal process relating to acts performed by them in their official capacity and falling within their functions as such representatives, officers or employees.

(b) Section 3 of the Immigration Act approved May 26, 1924, as amended (title 8, sec. 203, U.S.C.), is hereby amended by striking out the period at the end thereof and substituting the following language:

"(7) An alien officer or employee of an international organization, his family, attendants, servants and employees."

(c) Section 15 of the Immigration Act approved May 26, 1924, as amended (title 8, sec. 215, U.S.C.), is hereby amended to read as follows:

"SEC. 15. The admission to the United States of an alien excepted from the class of immigrants by clause (1),



(2), (3), (4), (5), (6), or (7) of section 3, or declared to be a nonquota immigrant by subdivision (e) of section 4, shall be for such time and under such conditions as may be by regulations prescribed (including, when deemed necessary for the classes mentioned in clause (2), (3), (4), or (6) of section 3 and subdivision (e) of section 4, the giving of bond with sufficient surety, in such sum and containing such conditions as may be by regulations prescribed) to insure that, at the expiration of such time or upon failure to maintain the status under which admitted, he will depart from the United States: Provided, That no alien who has been, or who may hereafter be, admitted into the United States under clause (1) or (7) of section 3, as an official of a foreign government, or as a member of the family of such official, or as an officer or employee of an international organization, or as a member of the family of such officer or employee, shall be required to depart from the United States without the approval of the Secretary of State."

SEC. 8. (a) No person shall be entitled to claim the benefits of this Act unless he shall have been duly notified by the government of which he is a representative, or by the international organization concerned, to the Secretary of State and accepted as such by him, or has been

designated

designated by the Secretary of State, prior to formal notice and acceptance, as a prospective representative, officer or employee.

(b) Should the Secretary of State determine that the continued presence in the United States of any person entitled to the benefits of this Act is not desirable, he shall so inform the foreign government or international organization concerned, as the case may be, and after such person shall have had a reasonable length of time, to be determined by the Secretary of State, to depart from the United States, he shall cease to be entitled to such benefits.

(c) No person shall, by reason of the provisions of this Act, be considered as receiving diplomatic status or as receiving any of the privileges incident thereto other than such as are specifically set forth herein.

SEC. 9. The privileges, exemptions, and immunities of international organizations and of their officers and employees, and members of their immediate families residing with them, provided for in this Act, shall be granted notwithstanding the fact that the similar privileges, exemptions, and immunities granted to a foreign government, its officers, or employees, may be conditioned upon the existence of reciprocity by that foreign government.

ALTERNATIVE SECTION 3.

(To take the place of Sections 3, 4, 5 and 6 on exemption from taxation.)

SEC. 3. International organizations, and the officers and employees of such organizations, other than citizens of the United States, shall have the same privileges, immunities and exemptions with respect to federal, state and local taxation as are accorded to foreign governments and the officers and employees of such governments. Employment by international organizations shall not be considered as "employment" under Social Security Laws, including those relating to old age or survivor's insurance benefits, nor under laws for contributions from employers with respect to unemployment insurance.