

ember 11, 1941; awards under this paragraph shall be made only to or for the benefit of the following persons in the order of priority named:

(A) widow or husband if there is no child or children of the deceased;

(B) widow or husband and child or children of the deceased, one-half to the widow or husband and the other half to the child or children of the deceased in equal shares;

(C) child or children of the deceased (in equal shares) if there is no widow or husband; and

(D) parents of the deceased (in equal shares) if there is no widow, husband, or child;

(2) injury or permanent disability sustained by any person, who being then a civilian national of the United States and a passenger on any vessel engaged in commerce on the high seas, was injured or permanently disabled as a result of military action by Germany or Japan which occurred during the period beginning September 1, 1939, and ending December 11, 1941; awards under this paragraph shall be payable solely to the person so injured or disabled;

(3) the loss or destruction, as a result of such action, of property on such vessel, as determined by the Commission to be reasonable, useful, necessary, or proper under the circumstances, which property was owned by any civilian national of the United States who was then a passenger on such vessel; and in the case of the death of any person suffering such loss, awards under this paragraph shall be made only to or for the benefit of the persons designated in paragraph (1) of this subsection and in the order of priority named therein.

(July 3, 1948, ch. 826, title II, § 202, as added Pub. L. 87-846, title I, § 103, Oct. 22, 1962, 76 Stat. 1107.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2017b, 2017c, 2017d, 2017h, 2017k, 2017l of this Appendix; title 22 section 1641c.

§ 2017b. Transfers and assignments

The transfer or assignment for value of any property forming the subject matter of a claim under subsection (a) or (b) of section 202 [section 2017a of this Appendix] subsequent to its damage, loss, or destruction shall not operate to extinguish any claim of the transferor otherwise compensable under either of such subsections. If a claim which could otherwise be allowed under subsection (a) or (b) of section 202 [section 2017a of this Appendix] has been assigned for value prior to the enactment of this title [Oct. 22, 1962], the assignee shall be the party entitled to claim thereunder.

(July 3, 1948, ch. 826, title II, § 203, as added Pub. L. 87-846, title I, § 103, Oct. 22, 1962, 76 Stat. 1109.)

§ 2017c. Nationality of claimants

No claim shall be allowed under subsection (a), (b), or (c) of section 202 of this title [section 2017a of this Appendix] unless the property upon

which it is based was owned by a national or nationals of the United States on the date of loss, damage, or destruction and unless the claim was owned by a national or nationals of the United States continuously thereafter until the date of filing with the Commission pursuant to this title [sections 2017 to 2017p of this Appendix]. Where any person who lost United States citizenship solely by reason of marriage to a citizen or subject of a foreign country reacquired such citizenship before the date of enactment of this title [Oct. 22, 1962], then if such individual, but for such marriage would have been a national of the United States at all times on and after the date of such loss, damage, or destruction until the filing of the claim, such individual shall be treated for all purposes of this title [sections 2017 to 2017p of this Appendix] as having been a national of the United States at all such times.

(July 3, 1948, ch. 826, title II, § 204, as added Pub. L. 87-846, title I, § 103, Oct. 22, 1962, 76 Stat. 1109.)

§ 2017d. Claims of stockholders

(a) A claim under section 202 of this title [section 2017a of this Appendix] based upon an ownership interest in any corporation, association, or other entity which is a national of the United States shall be denied.

(b) A claim under section 202 of this title [section 2017a of this Appendix], based upon a direct ownership interest in a corporation, association, or other entity which suffered a loss within the meaning of said section, shall be allowed, subject to other provisions of this title [sections 2017 to 2017p of this Appendix], if such corporation, association, or other entity on the date of the loss was not a national of the United States, without regard to the per centum of ownership vested in the claimant in any such claim.

(c) A claim under section 202 of this title [section 2017a of this Appendix], based upon an indirect ownership interest in a corporation, association, or other entity which suffered a loss within the meaning of said section, shall be allowed, subject to other provisions of this title [sections 2017 to 2017p of this Appendix], only if at least 25 per centum of the entire ownership interest thereof at the time of such loss was vested in nationals of the United States.

(d) Any award on a claim under subsection (b) or (c) of this section shall be calculated on the basis of the total loss suffered by such corporation, association, or other entity, and shall bear the same proportion to such loss as the ownership interest of the claimant bears to the entire ownership interest thereof.

(July 3, 1948, ch. 826, title II, § 205, as added Pub. L. 87-846, title I, § 103, Oct. 22, 1962, 76 Stat. 1109.)

§ 2017e. Deductions in making awards

(a) In determining the amount of any award there shall be deducted all amounts the claimant has received on account of the same loss or losses with respect to which an award is made under this title [sections 2017 to 2017p of this Appendix].

(b) Each claim in excess of \$10,000 filed under this title [sections 2017 to 2017p of this Appendix] by a corporation shall include a statement

under oath disclosing the aggregate amount of Federal tax benefits derived by such corporation in any prior taxable year or years resulting from any deduction or deductions claimed for the loss or losses with respect to which such claim is filed. In determining the amount of any award where the allowable loss exceeds \$10,000 there shall be deducted an amount equal to the aggregate amount of Federal tax benefits so derived by the claimant. For the purposes of this subsection, such Federal tax benefits shall be the aggregate of the amounts by which the claimant's taxes for such year or years under chapters 1, 2A, 2B, 2D, and 2E of the Internal Revenue Code of 1939, or subtitle A of the Internal Revenue Code of 1986 [26 U.S.C. 1 et seq.] were decreased with respect to such loss or losses. Any payments made on an award reduced by reason of this subsection shall be exempt from Federal income taxes.

(July 3, 1948, ch. 826, title II, § 206, as added Pub. L. 87-846, title I, § 103, Oct. 22, 1962, 76 Stat. 1110; amended Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095.)

REFERENCES IN TEXT

The Internal Revenue Code of 1939, referred to in text, was generally repealed by section 7851 of the Internal Revenue Code of 1986, Title 26. For table of comparisons of the 1939 Code to the 1986 Code, see Table I preceding section 1 of Title 26, Internal Revenue Code. See, also, section 7852(b) of Title 26 for provision that references in any other law to a provision of the 1939 Code, unless expressly incompatible with the intent thereof, shall be deemed a reference to the corresponding provision of the 1986 Code.

Chapter 1 of the Internal Revenue Code of 1939, referred to in subsec. (b), was comprised of sections 1 to 482 of former Title 26, Internal Revenue Code. Section 14 of former Title 26 was repealed by act Oct. 20, 1951, ch. 521, title I, pt. II, § 121(g), 65 Stat. 469. Sections 34 and 185 of former Title 26 were repealed by act Feb. 25, 1944, ch. 63, title I, §§ 106(c)(2), 107(a), 58 Stat. 31. Sections 264 and 363 of former Title 26 were repealed by act Oct. 21, 1942, ch. 619, title I, §§ 159(e), 170(a), 56 Stat. 860, 878. Sections 430 to 474 of former Title 26 were omitted from the Code, and subsequently, along with the remaining sections of former Title 26 comprising chapter 1, except sections 143 and 144, were repealed by sections 7851(a)(1)(A) of Title 26, Internal Revenue Code. Sections 143 and 144 of former Title 26 were repealed by section 7851(a)(1)(B) of Title 26.

Chapter 2A of the Internal Revenue Code of 1939, referred to in subsec. (b), was comprised of sections 500 to 511 of former Title 26, Internal Revenue Code. Sections 500 to 511 were repealed by section 7851(a)(1)(A) of Title 26, Internal Revenue Code.

Chapter 2B of the Internal Revenue Code of 1939, referred to in subsec. (b), was comprised of sections 600 to 605 of former Title 26, Internal Revenue Code. Sections 600 to 605 were repealed by act Nov. 8, 1945, ch. 453, title II, § 202, 59 Stat. 574, eff. with respect to taxable years ending June 30, 1946.

Chapter 2D of the Internal Revenue Code of 1939, referred to in subsec. (b), was comprised of sections 700 to 706 of former Title 26, Internal Revenue Code. Sections 700 to 716 were repealed by section 7851(a)(1)(A) of Title 26, Internal Revenue Code.

Chapter 2E of the Internal Revenue Code of 1939, referred to in subsec. (b), was comprised of sections 710 to 784 of former Title 26, Internal Revenue Code. Sections 710 to 736, 740, 742 to 744, 750, 751, 760, 761 and 780 to 784 were repealed by act Nov. 8, 1945, ch. 453, title I, § 122(a), 59 Stat. 568. Section 741 was repealed by act Oct. 21, 1942, ch. 619, title II, §§ 224(b), 228(b), 56 Stat. 920, 925. Section 752 was repealed by act Oct. 21, 1942, ch. 619, title II, § 229(a)(1), 56 Stat. 931, eff. as of Oct. 8, 1940.

Subtitle A of the Internal Revenue Code of 1986, referred to in subsec. (b), is subtitle A of act Aug. 16, 1954, ch. 736, 68A Stat. 4, as amended, which comprises subtitle A (§ 1 et seq.) of Title 26, Internal Revenue Code.

AMENDMENTS

1986—Subsec. (b). Pub. L. 99-514 substituted “Internal Revenue Code of 1986” for “Internal Revenue Code of 1954”.

§ 2017f. Consolidated awards

With respect to any claim which, at the time of the award, is vested in persons other than the person by whom the loss was sustained, the Commission may issue a consolidated award in favor of all claimants then entitled thereto, which award shall indicate the respective interests of such claimant therein; and all such claimants shall participate, in proportion to their indicated interests, in the payments authorized by this title [sections 2017 to 2017p of this Appendix] in all respects as if the award had been in favor of a single person.

(July 3, 1948, ch. 826, title II, § 207, as added Pub. L. 87-846, title I, § 103, Oct. 22, 1962, 76 Stat. 1110.)

§ 2017g. Certain awards prohibited

No award shall be made under this title [sections 2017 to 2017p of this Appendix] to or for the benefit of (1) any person who has been convicted of a violation of any provision of chapter 115, title 18, United States Code, or of any other crime involving disloyalty to the United States, or (2) any claimant whose claim under this title [said sections] is within the scope of title III of the International Claims Settlement Act of 1949, as amended (69 Stat. 570) [22 U.S.C. 1641 et seq.], except any claimant whose award under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended [22 U.S.C. 1641b(1)], is recertified pursuant to subsection (b) of section 209 of this title [section 2017h of this Appendix].

(July 3, 1948, ch. 826, title II, § 208, as added Pub. L. 87-846, title I, § 103, Oct. 22, 1962, 76 Stat. 1110.)

REFERENCES IN TEXT

The International Claims Settlement Act of 1949, as amended, referred to in text, is act Mar. 10, 1950, ch. 54, 64 Stat. 12, as amended. Title III of the International Claims Settlement Act of 1949, as amended (69 Stat. 570) is classified generally to subchapter III (§ 1641 et seq.) of chapter 21 of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 1621 of Title 22 and Tables.

§ 2017h. Certification of awards

(a) The Commission shall certify to the Secretary of the Treasury, in terms of United States currency, for payment out of the War Claims Fund each award made pursuant to section 202 [section 2017a of this Appendix].

(b) The Commission shall recertify to the Secretary of the Treasury, in terms of United States currency, for payment out of the War Claims Fund, awards heretofore made with respect to claims against the Government of Hungary under section 303(1) of title III of the International Claims Settlement Act of 1949, as amended [22 U.S.C. 1641b(1)]. Nothing contained