

87TH CONGRESS
2D SESSION

H. R. 12495

IN THE HOUSE OF REPRESENTATIVES

JULY 12, 1962

Mr. FOGARTY introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Internal Revenue Code of 1954, so as to restore competitive equality to retailers and other distributors with respect to certain sales to business and other organizations.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That it is the purpose of this Act to correct a situation
4 whereby an important segment of the small business com-
5 munity has been deprived of the ability to compete for a
6 substantial market which it has historically shared; and to
7 accomplish this without placing the items sold by the small
8 businesses in question at a disadvantage, competitively, with
9 respect to the said market, as opposed to other merchandise.

10 SEC. 2. Subchapter F of chapter 31 of the Internal

1 Revenue Code (special provisions applicable to retailers tax)
2 is hereby amended by renumbering present section 4058
3 thereof to section 4059 and by the addition of the following
4 section as section 4058:

5 "SEC. 4058. Under regulations prescribed by the Secre-
6 tary or his delegate no tax shall be imposed under this chapter
7 with respect to the sale of any article to a business or other
8 organization for use as a prize, award, or premium."

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3 thereof to section 4059 and by the addition of the following
4 section as section 4058:

5 "Sec. 4058. Under regulations prescribed by the Secre-
6 tary or his delegate no tax shall be imposed under this chapter
7 with respect to the sale of any article to a business or other
8 organization for resale at a reduced price or premium."

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By Mr. FOGARTY

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