

(C) by striking out the period at the end of paragraph (2) and inserting a semicolon in lieu thereof,

(D) by striking out the sentence following paragraph (2) and inserting in lieu thereof the following:

“(3) as per-unit retain allocations, to the extent paid in qualified per-unit retain certificates (as defined in section 1388(h)) with respect to marketing occurring during such taxable year; or Post, p. 1583.

“(4) in money or other property (except per-unit retain certificates) in redemption of a nonqualified per-unit retain certificate which was paid as a per-unit retain allocation during the payment period for the taxable year during which the marketing occurred. For purposes of this title, any amount not taken into account under the preceding sentence shall, in the case of an amount described in paragraph (1) or (2), be treated in the same manner as an item of gross income and as a deduction therefrom, and in the case of an amount described in paragraph (3) or (4), be treated as a deduction in arriving at gross income.”

(3) Section 1382(e) is amended to read as follows:

76 Stat. 1047.
26 USC 1382.

“(e) **PRODUCTS MARKETING UNDER POOLING ARRANGEMENTS.**—For purposes of subsection (b), in the case of a pooling arrangement for the marketing of products—

“(1) the patronage shall (to the extent provided in regulations prescribed by the Secretary or his delegate) be treated as patronage occurring during the taxable year in which the pool closes, and

“(2) the marketing of products shall be treated as occurring during any of the taxable years in which the pool is open.”

(4) Section 1382(f) is amended by striking out “subsection (b)” and inserting in lieu thereof “paragraphs (1) and (2) of subsection (b)”.

(5) The heading for section 1383 is amended by striking out the period at the end thereof and inserting “**OR NONQUALIFIED PER-UNIT RETAIN CERTIFICATES.**” 26 USC 1383.

(6) Section 1383(a) is amended—

(A) by striking out “section 1382(b)(2)” and inserting in lieu thereof “section 1382(b)(2) or (4),”

(B) by striking out “nonqualified written notices of allocation” each place it appears and inserting in lieu thereof “nonqualified written notices of allocation or nonqualified per-unit retain certificates”, and

(C) by striking out “qualified written notices of allocation” and inserting in lieu thereof “qualified written notices of allocation or qualified per-unit retain certificates (as the case may be)”.

(7) Section 1383(b)(2) is amended—

(A) by striking out “nonqualified written notice of allocation” and inserting in lieu thereof “nonqualified written notice of allocation or nonqualified per-unit retain certificate”,

(B) by striking out “qualified written notice of allocation” and inserting in lieu thereof “qualified written notice of allocation or qualified per-unit retain certificate (as the case may be)”,

(C) by striking out “such written notice of allocation” and inserting in lieu thereof “such written notice of allocation or per-unit retain certificate”, and

(D) by striking out “section 1382(b)(2)” and inserting in lieu thereof “section 1382(b)(2) or (4),”.