The clause starting with "if the tax" in the last two lines of subsection (a) of section 878, should be changed to read as follows:

> if the tax for the taxable year computed pursuant to such subsection exceeds the tax for the taxable year computed without regard to this section.

In making computations to determine the applicability of an alternative tax it would not seem appropriate to speak of a "tax imposed." See e.g., section 1341(a) of the code.

The phrase "to the extent not otherwise" in the third line of subsection (b)(1) of section 878 should be changed to ", subject to the modifications." The suggested rephrasing is for the purpose of making clear that the determination will still be made under part I.

In the second line of subsection (c)(1) of section 878 "in corporations" should be deleted and "debt obligations" should be changed to read "evidences of indebtedness constituting property." In subsection (c)(2) of section 878 "stocks or debt obligations" should be changed, in both places where those words appear, to read "stock or evidences of indebtedness." These changes are suggested in order to conform the terminology to that used in other areas of the code.

The first two lines of text of subsection (d) of section 878 should be changed to read as follows:

> Subsection (a) shall not apply to a nonresident alien individual whose loss of United States citizenship results from the applicability of * * * .

This change is recommended in order to take into account the case of a person who lost citizenship under one of the indicated provisions, was restored to citizenship and then lost citizenship again for reasons other than the application of one of the listed sections.

It also is noted that section 350 of the Immigration and Nationality Act (8 U.S.C. 1482), unlike the other two provisions cited, involves a voluntary loss of citizenship. It is not clear why this section, applicable to persons who at birth acquired dual nationality, has been included. Its deletion should be considered.

Section 3(e)

In paragraph 2 of subsection (c) of section 35 "under" should be changed to read "in accordance with."

Section 3(f)

In subsection (d) of section 116 "under" should be changed to read "in accordance with."

Section 8(f)

It is recommended that the title of section 2107 be changed to "Tax on Estates of Certain Expatriates."

The definition of expatriate status for purposes of section 2107 should be the same as that for purposes of section 878. Therefore, it is suggested that in subsection (a) of section 2107 the last clause, which starts with "if within the 10-year period," be changed to read as follows:

> If within the 10-year period immediately preceding the date of death such decedent lost United States citizenship, unless such loss did not have as one of its principal purposes the avoidance of United States taxes.