

1 ~~(c)~~ PERSONAL SERVICES.—Section 861(a)(3)(C)
 2 ~~(ii)~~ (relating to income from personal services) is amended
 3 to read as follows:

4 “(ii) an individual who is a citizen or
 5 resident of the United States, a domestic part-
 6 nership, or a domestic corporation, if such
 7 labor or services are performed for an office
 8 or place of business maintained in a foreign
 9 country or in a possession of the United States
 10 by such individual, partnership, or corpora-
 11 tion.”

12 ~~(d)~~ DEFINITIONS.—Section 864 (relating to defini-
 13 tions) is amended—

14 ~~(1)~~ by striking out “For purposes of this part,”
 15 and inserting in lieu thereof

16 “~~(a)~~ SALE, ETC.—For purposes of this part,”; and

17 ~~(2)~~ by adding at the end thereof the following
 18 new subsections:

19 “~~(b)~~ TRADE OR BUSINESS WITHIN THE UNITED
 20 STATES.—For purposes of this part, part II, and chapter 3,
 21 the term ‘trade or business within the United States’ in-
 22 cludes the performance of personal services within the United
 23 States at any time within the taxable year, but does not in-
 24 clude—