

1 empted from deduction and withholding under subsection
2 ~~-(a)-~~.”; and

3 ~~-(5)~~ by striking out “amounts described in section
4 402(a)(2), section 403(a)(2), section 631 (b) and
5 (c), and section 1235, which are considered to be gains
6 from the sale or exchange of capital assets,” in para-
7 graph ~~-(5)~~ of subsection (c) and inserting in lieu there-
8 of “gains described in sections 402(a)(2), 403(a)(2),
9 or 631 (b) or (c), and gains on transfers described in
10 section 1235,” and by striking out “proceeds from such
11 sale or exchange,” in such paragraph and inserting in
12 lieu thereof “amount payable.”

13 ~~-(h)~~ **LIABILITY FOR WITHHELD TAX.**—Section 1461
14 ~~-(relating to return and payment of withheld tax)~~ is amended
15 to read as follows:

16 **“SEC. 1461. LIABILITY FOR WITHHELD TAX.**

17 ~~“Every person required to deduct and withhold any tax~~
18 under this chapter is hereby made liable for such tax and is
19 hereby indemnified against the claims and demands of any
20 person for the amount of any payments made in accordance
21 with the provisions of this chapter.”