~~(B) Section 11 (relating to tax on corporations) is amended by adding at the end thereof the following new subsection:~~

~~"(f) FOREIGN CORPORATIONS.—In the case of a foreign corporation, the tax imposed by subsection (a) shall apply only as provided by section 882."~~

~~(3) The table of sections for subpart B of part II of subchapter N of chapter 1 is amended by striking out the items relating to sections 881 and 882 and inserting in lieu thereof the following:~~

~~"Sec. 881. Income of foreign corporations not connected with United States business.~~
~~"Sec. 882. Income of foreign corporations connected with United States business."~~

~~(c) WITHHOLDING OF TAX ON FOREIGN CORPORATIONS.—Section 1442 (relating to withholding of tax on foreign corporations) is amended to read as follows:~~

~~**"SEC. 1442. WITHHOLDING OF TAX ON FOREIGN CORPORATIONS.**~~

~~"(a) GENERAL RULE.—In the case of foreign corporations subject to taxation under this subtitle, there shall be deducted and withheld at the source in the same manner and on the same items of income as is provided in section 1441 or section 1451 a tax equal to 30 percent thereof; except that, in the case of interest described in section 1451 (relat-~~