

1 with the date of transfer lost United States citizenship
2 unless—

3 “~~(A)~~ such donor’s loss of United States citi-
4 zenship resulted from the application of section
5 301(b), 350, or 355 of the Immigration and Na-
6 tionality Act, as amended (~~8 U.S.C. 1401(b),~~
7 1482, or 1487) or

8 “~~(B)~~ such loss did not have for one of its prin-
9 cipal purposes the avoidance of taxes under this
10 subtitle or subtitle A.

11 “~~(4)~~ BURDEN OF PROOF.—If the Secretary or his
12 delegate establishes that it is reasonable to believe that
13 an individual’s loss of United States citizenship would,
14 but for paragraph ~~(3)~~, result in a substantial reduction
15 for the calendar year in the taxes on the transfer of
16 property by gift, the burden of proving that such loss
17 of citizenship did not have for one of its principal pur-
18 poses the avoidance of taxes under this subtitle or subtitle
19 A shall be on such individual.”

20 ~~(b)~~ TRANSFERS IN GENERAL.—Subsection ~~(b)~~ of sec-
21 tion 2511 (relating to situs rule for stock in a corporation)
22 is amended to read as follows:

23 “~~(b)~~ INTANGIBLE PROPERTY.—For purposes of this
24 chapter, in the case of a nonresident not a citizen of the