1	made by this section shall apply to taxable years beginning
2	after December 31, 1966.
3	SEC. 203. BASIS OF PROPERTY RECEIVED ON LIQUIDA-
4	TION OF SUBSIDIARY.
5	(a) Definition of Purchase.—Section 334(b)(3)
6	(relating to definition of purchase) is amended by adding at
7	the end thereof the following new sentence:
8	"Notwithstanding subparagraph (C) of this para-
9	graph, for purposes of paragraph (2)(B), the term
10	'purchase' also means an acquisition of stock from a cor-
11	poration when ownership of such stock would be attributed
12	under section 318(a) to the person acquiring such
13	stock, if the stock of such corporation by reason of which
14	such ownership would be attributed was acquired by
15	purchase (within the meaning of the preceding sen-
16	tence)."
17	(b) Period of Acquisition.—Section 334(b)(2)
18	(B) (relating to exception) is amended by striking out "dur-
19	ing a period of not more than 12 months," and inserting in
20	lieu thereof "during a 12-month period beginning with the
21	earlier of—
22	"(i) the date of the first acquisition by pur-
23	$chase\ of\ such\ stock,\ or$
24	"(ii) if any of such stock was acquired in