

to be exempt from the interest equalization tax where the indebtedness is acquired without an intent on the part of the purchaser to sell it to other U.S. persons. This change is to be effective with respect to acquisitions of debt obligations made after the date of enactment.

15. Interest equalization tax: certain acquisitions by insurance companies in developed countries.—The present exemption for reserve asset pools of U.S. insurance companies is extended to allow the establishment of reserve asset pools where a U.S. insurance company commences activities in a developed country or where a less-developed country is designated as a developed country. This amendment is to take effect on the day after the date of enactment.

16. Interest equalization tax: Euro-dollars.—The President is given the authority to exempt from the interest equalization tax U.S. dollar loans of more than 1 year made by the foreign branches of U.S. banks. This change is to apply to acquisitions of debt obligations made after the date of enactment.

C. Presidential Election Campaign Fund Act

This title provides for public support of presidential election campaign financing. Individual taxpayers are to be able to designate on their annual tax returns that \$1 of their income tax liability is to be placed in a presidential election campaign fund. The amounts in the fund are to be made available to defray the expenses incurred by political parties in presenting candidates for President and Vice President. Amounts will only be paid to those political parties whose candidates received at least 1,500,000 votes in the preceding presidential election.

A major political party (one whose candidate polled 10 million votes or more in the preceding presidential election) is to be eligible to receive a payment from the fund equal to \$1 times the number of votes cast for the presidential candidates of the major political parties in the preceding presidential election divided by the number of such major political parties. A minor party (one whose candidate polled more than 1,500,000 but less than 10 million votes) is to be eligible to receive a payment from the fund equal to \$1 for each vote in excess of 1,500,000 votes that its candidate received in the preceding presidential election. The payment received by any political party is to be limited, however, to reimbursement of presidential campaign expenses actually incurred by the party in connection with the current presidential election.

The Comptroller General is authorized to determine the campaign expenses of the political parties and to determine the amounts which may be paid to such parties. An advisory board is established to advise and assist the Comptroller General with his duties under this act.

D. Miscellaneous provisions

1. Treasury bonds or certificates payable in foreign currency.—This amendment expands the debt management authority of the Secretary of the Treasury to permit the issuance of U.S. notes denominated in foreign currencies. This authority already exists in the case of bonds and certificates of indebtedness.