

"(1) an agreement described in paragraph (2) (B) shall be an agreement with respect to all products delivered by the distributee to the organization after he received the notification and copy described in paragraph (2) (B) (ii).

"(B) REVOCATION, ETC.—

"(i) Any agreement described in paragraph (2) (A) may be revoked (in writing) by the distributee at any time. Any such revocation shall be effective with respect to products delivered by the distributee on or after the first day of the first taxable year of the organization beginning after the revocation is filed with the organization; except that in the case of a pooling arrangement described in section 1382(e) a revocation made by a distributee shall not be effective as to any products which were delivered to the organization by the distributee before such revocation.

"(ii) Any agreement described in paragraph (2) (B) shall not be effective with respect to any products delivered after the distributee ceases to be a member of the organization or after the bylaws of the organization cease to contain the provision described in paragraph (2) (B) (i).

"(1) NONQUALIFIED PER-UNIT RETAIN CERTIFICATE.—For purposes of this subchapter, the term 'nonqualified per-unit retain certificate' means a per-unit retain certificate which is not described in subsection (h)."

(d) INFORMATION REPORTING.—

(1) **AMOUNTS SUBJECT TO REPORTING.—**Section 6044(b) (1) is amended by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and by adding after subparagraph (C) the following new subparagraphs:

"(D) the amount of any per-unit retain allocation (as defined in section 1388(f)) which is paid in qualified per-unit retain certificates (as defined in section 1388(h)), and

"(E) any amount described in section 1382 (b) (4) (relating to redemption of nonqualified per-unit retain certificates)."

(2) DETERMINATION OF AMOUNT PAID.—

(A) Section 6044(d) (1) is amended by striking out "allocation" and inserting in lieu thereof "allocation or a qualified per-unit retain certificate)".

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(B) Section 6044(d) (2) is amended by striking out "allocation" and inserting in lieu thereof "allocation or a qualified per-unit retain certificate".

(e) EFFECTIVE DATES.—

(1) The amendments made by subsections (a), (b), and (c) shall apply to per-unit retain allocations made during taxable years of an organization described in section 1381(a) (relating to organizations to which part I of subchapter T of chapter 1 applies) beginning after April 30, 1966, with respect to products delivered during such years.

(2) The amendments made by subsection (d) shall apply with respect to calendar years after 1966.

(f) TRANSITION RULE.—

(1) Except as provided in paragraph (2), a written agreement between a patron and a cooperative association—

(A) which clearly provides that the patron agrees to treat the stated dollar amounts of all per-unit retain certificates issued to him by the association as representing cash distributions which he has, of his own choice, reinvested in the cooperative association,

(B) which is revocable by the patron at any time after the close of the taxable year in which it was made,

(C) which was entered into after October 14, 1965, and before the date of the enactment of this Act, and

(D) which is in effect on the date of the enactment of this Act, and with respect to which a written notice of revocation has not been furnished to the cooperative association,

shall be effective (for the period prescribed in the agreement) for purposes of section 1388(h) of the Internal Revenue Code of 1954 as if entered into, pursuant to such section, after the date of the enactment of this Act.

(2) An agreement described in paragraphs (1) (A) and (C) which was included in a bylaw of the cooperative association and which is in effect on the date of the enactment of this Act shall be effective for purposes of section 1388(h) of such Code only for taxable years of the association beginning before May 1, 1967.

SEC. 213. EXCISE TAX RATE ON AMBULANCES AND HEARSE.

(a) **CLASSIFICATION AS AUTOMOBILES.—**Section 4062 (relating to definitions applicable to the tax on motor vehicles) is amended by adding at the end thereof the following new subsection:

"(b) **AMBULANCES, HEARSE, ETC.—**For purposes of section 4061(a), a sale of an ambulance, hearse, or combination ambulance-hearse shall be considered to be a sale of an automobile chassis and an automobile body enumerated in subparagraph (B) of section 4061(a) (2)."

(b) **EFFECTIVE DATE.—**The amendment made by subsection (a) shall apply with respect to articles sold after the date of the enactment of this Act.

SEC. 214. APPLICABILITY OF EXCLUSION FROM INTEREST EQUALIZATION TAX OF CERTAIN LOANS TO ASSURE RAW MATERIALS SOURCES.

(a) **EXCEPTION TO EXCLUSION.—**Section 4914 (d) (relating to loans to assure raw materials sources) is amended by adding at the end thereof the following new paragraph:

"(3) **EXCEPTION.—**The exclusion from tax provided by paragraph (1) shall not apply in any case where the acquisition of the debt obligation of the foreign corporation is made with an intent to sell, or to offer to sell, any part of such debt obligation to United States persons."

(b) **TECHNICAL AMENDMENTS.—**(1) Section 4914(j) (1) (relating to loss of entitlement to exclusion in case of certain subsequent transfers) is amended—

(A) by striking out in subparagraph (A) ", or the exclusion provided by subsection (d),", and

(B) by striking out "subsection (d) or (f)" in subparagraph (D) and inserting in lieu thereof "subsection (f)".

(2) Section 4918 (relating to exemption for prior American ownership) is amended by adding at the end thereof the following new subsection:

"(g) **CERTAIN DEBT OBLIGATIONS ARISING OUT OF LOANS TO ASSURE RAW MATERIAL SOURCES.—**Under regulations prescribed by the Secretary or his delegate, subsection (a) shall not apply to the acquisition by a United States person of any debt obligation to which section 4914(d) applied where the acquisition of the debt obligation by such person is