

1 paragraph (2) and inserting a semicolon in lieu
2 thereof,

3 (D) by striking out the sentence following para-
4 graph (2) and inserting in lieu thereof the following:

5 “(3) as per-unit retain allocations, to the extent paid
6 in qualified per-unit retain certificates (as defined in sec-
7 tion 1388(h)) with respect to marketing occurring dur-
8 ing such taxable year; or

9 “(4) in money or other property (except per-unit
10 retain certificates) in redemption of a nonqualified per-
11 unit retain certificate which was paid as a per-unit retain
12 allocation during the payment period for the taxable year
13 during which the marketing occurred.”

14 “For purposes of this title, any amount not taken into ac-
15 count under the preceding sentence shall, in the case of an
16 amount described in paragraph (1) or (2), be treated in
17 the same manner as an item of gross income and as a deduc-
18 tion therefrom, and in the case of an amount described in
19 paragraph (3) or (4), be treated as a deduction in arriving
20 at gross income.”

21 (3) Section 1382(e) is amended to read as fol-
22 lows:

23 “(e) *PRODUCTS MARKETING UNDER POOLING AR-*
24 *RANGEMENTS.*—For purposes of subsection (b), in the case
25 of a pooling arrangement for the marketing of products—