89TH CONGRESS
1ST SESSION

# H. R. 11765

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 22, 1965

Mr. KEOGH introduced the following bill; which was referred to the Committee on Ways and Means

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# A BILL

To amend section 1234 of the Internal Revenue Code of 1954.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1234 of the Internal Revenue Code of 1954, relating to options, is amended as follows:

Subsection (c) is redesignated as subsection (d) and the following new subsection (c) is added at the end of subsection (b):

"(c) SPECIAL RULE FOR CREATORS OF STRADDLES.—

"(1) GAIN ON LAPSE.—In the case of gain on lapse of an option that was granted as part of a straddle (as defined in paragraph (2)), the gain shall be deemed to