

89TH CONGRESS
2D SESSION

H. R. 18230

[Report No. 2273]

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 1966

Mr. WATTS introduced the following bill: which was referred to the Committee on Ways and Means

OCTOBER 13, 1966

Reported with amendments, committed to the Committee of the Whole House on the State of the Union, and ordered to be printed

[Insert the part printed in italic]

A BILL

To amend the Internal Revenue Code of 1954 to provide that the term "purchase" for purposes of section 334 (b) (2) is to include certain indirect purchases of stock through the purchase of the stock of another corporation.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That (a) section 334 (b) (3) of the Internal Revenue Code
4 of 1954 (relating to definition of purchase) is amended by
5 adding at the end thereof the following new sentence:

6 "Notwithstanding subparagraph (C) of this paragraph,
7 for purposes of paragraph (2) (B), the term 'purchase'
8 also means an acquisition of stock from a corporation the
9 ownership of stock by which would, under section 318