

1 to complete liquidations of subsidiaries) applies,
2 and

3 “(ii) the basis of such obligation in the
4 hands of the distributee is determined under
5 section 334 (b) (1),

6 then no gain or loss with respect to the distribution
7 of such obligation shall be recognized by the dis-
8 tributing corporation.”

9 (d) EFFECTIVE DATES.—The amendment made by sub-
10 section (a) shall apply only with respect to acquisition of
11 stock after December 31, 1965. The amendments made by
12 subsections (b) and (c) shall apply only with respect to dis-
13 tributions made after the date of the enactment of this Act.