

unit of such property sold, or upon persons engaged in furnishing services at retail, which is measured by the gross receipts for furnishing such services, if the amount of such tax is separately stated, then to the extent that the amount so stated is paid by the consumer (otherwise than in connection with the consumer's trade or business) to his vendor such amount shall be allowed as a deduction in computing the net income of such consumer as if such amount constituted a tax imposed upon and paid by such consumer."

SEC. 2. The amendment made by this Act shall apply to taxable years beginning after December 31, 1950.

Approved May 12, 1951.

Public Law 30

CHAPTER 75

AN ACT

May 15, 1951
[S. 998]

To facilitate the financing of the defense contracts by banks and other financing institutions, to amend the Assignment of Claims Act of 1940, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1 of the Assignment of Claims Act of 1940, approved October 9, 1940 (54 Stat. 1029), is amended by striking out all after clause 3 of the proviso and inserting in lieu thereof the following:

Assignment of Claims Act of 1940, amendment. 31 U. S. C. § 203; Sup. IV, § 203; 41 U. S. C. § 15.

"4. That in the event of any such assignment, the assignee thereof shall file written notice of the assignment together with a true copy of the instrument of assignment with (a) the contracting officer or the head of his department or agency; (b) the surety or sureties upon the bond or bonds, if any, in connection with such contract; and (c) the disbursing officer, if any, designated in such contract to make payment.

Filing of written notice by assignee.

"Notwithstanding any law to the contrary governing the validity of assignments, any assignment pursuant to the Assignment of Claims Act of 1940, as amended, shall constitute a valid assignment for all purposes.

Validity of assignment.

"In any case in which moneys due or to become due under any contract are or have been assigned pursuant to this section, no liability of any nature of the assignor to the United States or any department or agency thereof, whether arising from or independently of such contract, shall create or impose any liability on the part of the assignee to make restitution, refund, or repayment to the United States of any amount heretofore since July 1, 1950, or hereafter received under the assignment.

Nonliability of assignee.

"Any contract of the Department of Defense, the General Services Administration, the Atomic Energy Commission, or any other department or agency of the United States designated by the President, except any such contract under which full payment has been made, may, in time of war or national emergency proclaimed by the President (including the national emergency proclaimed December 16, 1950) or by Act or joint resolution of the Congress and until such war or national emergency has been terminated in such manner, provide or be amended without consideration to provide that payments to be made to the assignee of any moneys due or to become due under such contract shall not be subject to reduction or set-off, and if such provision or one to the same general effect has been at any time heretofore or is hereafter included or inserted in any such contract, payments to

Defense Department, etc., contracts. Set-off, etc., of assignor's liability to U. S.

50 U. S. C., Sup. IV, app., note prec. § 2.

be made thereafter to an assignee of any moneys due or to become due under such contract, whether during or after such war or emergency, shall not be subject to reduction or set-off for any liability of any nature of the assignor to the United States or any department or agency thereof which arises independently of such contract, or hereafter for any liability of the assignor on account of (1) renegotiation under any renegotiation statute or under any statutory renegotiation article in the contract, (2) fines, (3) penalties (which term does not include amounts which may be collected or withheld from the assignor in accordance with or for failure to comply with the terms of the contract), or (4) taxes, social security contributions, or the withholding or nonwithholding of taxes or social security contributions, whether arising from or independently of such contract.

Nonimpairment of prior rights, etc.

“Except as herein otherwise provided, nothing in this Act, as amended, shall be deemed to affect or impair rights or obligations heretofore accrued.”

Approved May 15, 1951.

Public Law 31

CHAPTER 81

AN ACT

May 16, 1951
[H. R. 3201]

To amend subdivision a of section 34 of the Bankruptcy Act, as amended.

30 Stat. 555, 557.
11 U. S. C. §§ 62 (a),
71 (b).

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subdivision a of section 34 of the Bankruptcy Act, as amended, is hereby amended by adding at the end thereof the following additional sentence: “Upon the expiration of his term, a referee in bankruptcy shall continue to perform the duties of his office until his successor is appointed and qualifies provided the filling of the vacancy has been authorized by the Conference as provided in subdivision b of section 43 of this Act.”

Approved May 16, 1951.

Public Law 32

CHAPTER 82

AN ACT

May 16, 1951
[H. R. 3202]

To amend subdivision a of section 55 of the Bankruptcy Act, as amended.

30 Stat. 559.
11 U. S. C. § 91 (a)

First meeting of creditors.

30 Stat. 555.
11 U. S. C. § 65 (b)
(1).

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That subdivision a of section 55 of the Bankruptcy Act, as amended, is hereby amended to read as follows:

“a. The court shall cause the first meeting of the creditors of a bankrupt to be held not less than ten nor more than thirty days after the adjudication, at the place or at one of the places designated by the conference pursuant to paragraph (1) of subdivision b of section 37 of this Act as a place at which court shall be held within the judicial district in which the proceeding is pending or if that place would be unreasonably inconvenient as a place of meeting for the parties in interest, the court shall fix a place for the meeting within said judicial district which is not unreasonably inconvenient for the parties in interest. If such meeting should by any mischance not be held within such time, the court shall fix the date as soon as may be thereafter, when it shall be held.”

Approved May 16, 1951.