

such air carrier, foreign air carrier, or ticket agent is engaged in such unfair or deceptive practices or unfair methods of competition, it shall order such air carrier, foreign air carrier, or ticket agent to cease and desist from such practices or methods of competition."

SEC. 3. Section 902 (d) of the Civil Aeronautics Act of 1938, as amended, is amended to read as follows: 49 USC 622.

"GRANTING REBATES

"(d) Any air carrier, foreign air carrier, or ticket agent, or any officer, agent, employee, or representative thereof, who shall, knowingly and willfully, offer, grant, or give, or cause to be offered, granted, or given, any rebate or other concession in violation of the provisions of this Act, or who, by any device or means, shall, knowingly and willfully, assist, or shall willingly suffer or permit, any person to obtain transportation or services subject to this Act at less than the rates, fares, or charges lawfully in effect, shall be deemed guilty of a misdemeanor and, upon conviction thereof, shall be subject for each offense to a fine of not less than \$100 and not more than \$5,000."

SEC. 4. Nothing contained in this Act shall be construed to enlarge or extend the jurisdiction of the Civil Aeronautics Board over transportation not subject to the Civil Aeronautics Act of 1938, as amended. 49 USC 681.

SEC. 5. This Act shall be effective upon enactment. Effective date.

Approved July 14, 1952.

Public Law 539

CHAPTER 741

AN ACT

To amend section 113 (b) (1) (B) of the Internal Revenue Code with respect to the adjustment of the basis of property for depreciation, obsolescence, amortization, and depletion. July 14, 1952 [H. R. 3168]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That so much of section 113 (b) (1) (B) of the Internal Revenue Code (relating to adjustments to basis of property for depreciation, etc.) as precedes the word "Where" is hereby amended to read as follows:

Internal Revenue Code, amendment. 53 Stat. 40. 26 USC 113.

"(B) in respect of any period since February 28, 1913, for exhaustion, wear and tear, obsolescence, amortization, and depletion, to the extent of the amount—

"(i) allowed as deductions in computing net income under this chapter or prior income tax laws, and

"(ii) resulting (by reason of the deductions so allowed) in a reduction for any taxable year of the taxpayer's taxes under this chapter (other than subchapter E), subchapter E of chapter 2, or prior income, war-profits, or excess-profits tax laws, .

but not less than the amount allowable under this chapter or prior income tax laws. Clause (ii) of this subparagraph shall not apply in respect of any period since February 28, 1913, and before January 1, 1952, unless an election has been made under subsection (d)."

SEC. 2. Section 113 of the Internal Revenue Code (relating to basis of property) is hereby amended by adding at the end thereof the following new subsection:

"(d) ELECTION IN RESPECT OF DEPRECIATION, ETC., ALLOWED BEFORE 1952.—Any person may elect to have clause (ii) of subsection (b) (1) (B) apply in respect of periods since February 28, 1913, and

Applicability.

before January 1, 1952. Such an election shall be made in such manner as the Secretary may by regulations prescribe, shall be irrevocable, and shall apply in respect of all property held by the person making the election at any time on or before the date on which the election was made and in respect of all periods since February 28, 1913, and before January 1, 1952, during which such person held such property or for which adjustments must be made under subsection (b) (2). An election by a transferor, donor, or grantor made after the date of the transfer, gift, or grant of property shall not affect the basis of such property in the hands of the transferee, donee, or grantee. No such election may be made after December 31, 1952."

SEC. 3. The amendments made by this Act shall apply in respect of taxable years beginning after December 31, 1938. Provisions having the effect of such amendments shall be deemed to have been included in the revenue laws respectively applicable to taxable years ending after December 31, 1931, and beginning before January 1, 1939.

Approved July 14, 1952.

Public Law 540

CHAPTER 742

July 14, 1952
[H. R. 5788]

AN ACT

To extend certain ten-year oil and gas leases.

Oil and gas
leases.

60 Stat. 951.
30 USC 226.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That any lease issued for a ten-year term in exchange for an oil and gas prospecting permit pursuant to sections 13 and 17 of the Act entitled "An Act to promote the mining of coal, phosphate, oil, oil shale, gas, and sodium on the public domain", approved February 25, 1920, as amended by the Act of August 21, 1935 (49 Stat. 674), and prior to amendment by the Act of August 8, 1946, and upon which drilling operations were being diligently prosecuted on the expiration date of such lease, prior to the effective date of this Act, is hereby reinstated effective from the expiration date of the lease and shall continue in effect for a period of two years after the effective date of this Act and so long thereafter as oil or gas is produced in paying quantities, if, within ninety days after the enactment of this Act, payment is made, under the terms of such lease as reinstated and extended, of any sums due the United States for prior years. This Act shall not be applicable to any lands which, subsequent to such expiration and prior to the enactment of this Act, have been withdrawn from leasing, leased, or otherwise disposed of.

Approved July 14, 1952.

Public Law 541

CHAPTER 743

July 14, 1952
[H. R. 8006]

AN ACT

To provide for an adjustment in the compensation of certain employees transferred from the field service of the Post Office Department to the General Services Administration pursuant to Reorganization Plan Numbered 18 of 1950, and for other purposes.

Postal em-
ployees trans-
ferred to GSA.

64 Stat. 1270.
5 USC 133z-
15 note.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That each employee transferred from the field service of the Post Office Department to the General Services Administration pursuant to Reorganization Plan Numbered 18 of 1950 who has completed sufficient service prior to such transfer, to entitle him, if he had not been so transferred, to an