

(3) if a receiver or trustee for any such partnership or corporation has been duly appointed by a court of competent jurisdiction in the United States and has not been discharged prior to the date of payment, payment shall be made to such receiver or trustee in accordance with the order of the court;

(4) if a receiver or trustee for any such partnership or corporation, duly appointed by a court of competent jurisdiction in the United States, makes an assignment of the claim, or any part thereof, with respect to which an award is made, or makes an assignment of such award, or any part thereof, payment shall be made to the assignee, as his interest may appear; and

(5) in the case of any assignment of an award, or any part thereof, which is made in writing and duly acknowledged and filed, after such award is certified to the Secretary of the Treasury, payment may, in the discretion of the Secretary of the Treasury, be made to the assignee, as his interest may appear.

(d) Erroneous payments as bar to further recovery

Whenever the Secretary of the Treasury shall find that any person is entitled to any such payment, after such payment shall have been received by such person, it shall be an absolute bar to recovery by any other person against the United States, its officers, agents, or employees with respect to such payment.

(e) Acquiescence in conditions of subchapter

Any person who makes application for any such payment shall be held to have consented to all the provisions of this subchapter.

(f) Non-assumption of liability by United States on claims against foreign governments

Nothing in this subchapter shall be construed as the assumption of any liability by the United States for the payment or satisfaction, in whole or in part, of any claim on behalf of any national of the United States against any foreign government.

(Mar. 10, 1950, ch. 54, title I, § 7, 64 Stat. 16; Aug. 8, 1953, ch. 396, § 2, 67 Stat. 506; Aug. 9, 1955, ch. 645, §§ 1, 2, 69 Stat. 562; Pub. L. 90-421, § 1(2), (3), July 24, 1968, 82 Stat. 420; Pub. L. 104-316, title II, § 202(h), Oct. 19, 1996, 110 Stat. 3842.)

REFERENCES TO THIS SUBCHAPTER DEEMED TO INCLUDE SECTION 119 OF H.R. 2076

References to this subchapter deemed to include section 119 of H.R. 2076, see section 119(b) of H.R. 2076, as enacted into law by Pub. L. 104-91, set out as an Authority of Foreign Claims Settlement Commission note under section 1644 of this title.

AMENDMENTS

1996—Subsec. (c)(1), (2). Pub. L. 104-316, § 202(h)(1), substituted “Secretary of the Treasury” for “Comptroller General” in par. (1) and “Secretary of the Treasury” for “Comptroller General of the United States” in par. (2).

Subsec. (d). Pub. L. 104-316, § 202(h)(2), struck out “, or the Comptroller General of the United States, as the case may be,” after “Secretary of the Treasury”.

1968—Subsec. (b). Pub. L. 90-421, § 1(2), designated existing provisions as par. (1) and added par. (2).

Subsec. (c)(1). Pub. L. 90-421, § 1(3), substituted “any person to whom any payment is to be made pursuant to

this subchapter” for “such person” and “, except that if any payment to be made is not over \$1000” for “: *Provided*, That if the total award is not over \$500”, and struck out “of the United States” after “Comptroller General”.

1955—Act Aug. 9, 1955, § 1, amended credit to section by designating act Mar. 10, 1950, as “title I”.

Act Aug. 9, 1955, § 2, substituted “subchapter” for “chapter”.

1953—Subsec. (b). Act Aug. 8, 1953, increased the amount deductible to cover expenses from 3 to 5 percent.

ABOLITION OF INTERNATIONAL CLAIMS COMMISSION AND TRANSFER OF FUNCTIONS

International Claims Commission of the United States, including offices of its members, abolished and functions of Commission and of members, officers, and employees thereof transferred to Foreign Claims Settlement Commission of the United States by Reorg. Plan No. 1, of 1954, §§ 1, 2, 4, eff. July 1, 1954, 19 F.R. 3985, 68 Stat. 1279, set out as a note under section 1622 of this title.

For provisions transferring Foreign Claims Settlement Commission of the United States as a separate agency within the Department of Justice, see section 1622a et seq. of this title.

§ 1627. Creation of special funds in Treasury

(a) Credits to, and payment from funds

There are created in the Treasury of the United States (1) a special fund to be known as the Yugoslav Claims Fund; and (2) such other special funds as may, in the discretion of the Secretary of the Treasury, be required, each to be a claims fund to be known by the name of the foreign government which has entered into a settlement agreement with the Government of the United States as described in subsection (a) of section 1623 of this title. There shall be covered into the Treasury to the credit of the proper special fund all funds hereinafter specified. All payments authorized under section 1626 of this title shall be disbursed from the proper fund, as the case may be, and all amounts covered into the Treasury to the credit of the aforesaid funds are permanently appropriated for the making of the payments authorized by section 1626 of this title.

(b) Credits to Yugoslav Claims Fund; credits to other funds

The Secretary of the Treasury is authorized and directed to cover into—

(1) the Yugoslav Claims Fund the sum of \$17,000,000 being the amount paid by the Government of the Federal People’s Republic of Yugoslavia pursuant to the Yugoslav Claims Agreement of 1948;

(2) a special fund created for that purpose pursuant to subsection (a) of this section any amounts hereafter paid, in United States dollars, by a foreign government which has entered into a claims settlement agreement with the Government of the United States as described in subsection (a) of section 1623 of this title.

(c) Payment of awards

The Secretary of the Treasury is authorized and directed out of the sums covered, prior to July 24, 1968, into any of the funds pursuant to subsection (b) of this section, and after making the deduction provided for in section 1626(b)(1) of this title—

(1) to make payments in full of the principal of awards of \$1,000 or less, certified pursuant to section 1624 of this title;

(2) to make payments of \$1,000 on the principal of each award of more than \$1,000 in principal amount, certified pursuant to section 1624 of this title;

(3) to make additional payment of not to exceed 25 per centum of the unpaid principal of awards in the principal amount of more than \$1,000;

(4) after completing the payments prescribed by paragraphs (2) and (3) of this subsection, to make payments, from time to time in ratable proportions, on account of the unpaid principal of all awards in the principal amount of more than \$1,000, according to the proportions which the unpaid principal of such awards bear to the total amount in the fund available for distribution at the time such payments are made; and

(5) after payment has been made of the principal amounts of all such awards, to make pro rata payments on account of accrued interest on such awards as bear interest.

(d) Payment of balance to Yugoslav Government; certification of adjudication costs; finality of certification

The Secretary of the Treasury, upon the concurrence of the Secretary of State, is authorized and directed, out of the sum covered into the Yugoslav Claims Fund pursuant to subsection (b) of this section, after completing the payments of such funds pursuant to subsection (c) of this section, to make payment of the balance of any sum remaining in such fund to the Government of the Federal People's Republic of Yugoslavia to the extent required under article 1(c) of the Yugoslav Claims Agreement of 1948. The Secretary of State shall certify to the Secretary of the Treasury the total cost of adjudication, not borne by the claimants, attributable to the Yugoslav Claims Agreement of 1948. Such certification shall be final and conclusive and shall not be subject to review by any other official, or department, agency, or establishment of the United States.

(e) Payments; priorities

Except as provided in subsection (f) of this section, the Secretary of the Treasury is authorized and directed out of sums covered, subsequent to July 24, 1968, into any special fund created pursuant to this section to make payment on account of awards certified by the Commission pursuant to this subchapter with respect to claims included within the terms of a claims settlement agreement concluded between the Government of the United States and a foreign government as described in section 1623(a) of this title, as follows and in the following order of priority:

(1) Payment in the amount of \$1,000 or the principal amount of the award, whichever is less;

(2) Thereafter, payments from time to time on account of the unpaid principal balance of each remaining award which shall bear to such unpaid principal balance the same proportion as the total amount available for distribution at the time such payments are made bears to

the aggregate unpaid principal balance of all such awards; and

(3) Thereafter, payments from time to time on account of the unpaid balance of each award of interest which shall bear to such unpaid balance of interest, the same proportion as the total amount available for distribution at the time such payments are made bears to the aggregate unpaid balance of interest of all such awards.

(f) People's Republic of China; claim payment priorities

(1) Out of sums covered after May 11, 1979, into the special fund created pursuant to this section to receive funds paid by the People's Republic of China, the Secretary of the Treasury is authorized and directed to make payments on account of awards certified by the Commission pursuant to subchapter V of this chapter with respect to claims included within the terms of the Agreement Between the Government of the United States of America and the Government of the People's Republic of China Concerning the Settlement of Claims, signed on May 11, 1979, in the following order of priority:

(A) Payment in the amount of \$1,000 or the principal amount of the award, whichever is less.

(B) Thereafter, except as provided in paragraph (2), to the extent there remain unpaid principal balances on awards, payments from time to time on account of the unpaid principal balance of each remaining award which bear to such unpaid principal balance the same proportion as the total amount available for distribution at the time such payments are made bears to the aggregate unpaid principal balance of all such awards.

(C) Thereafter, payments from time to time on account of the unpaid balance of each award of interest which bear to such unpaid balance of interest the same proportion as the total amount available for distribution at the time such payments are made bears to the aggregate unpaid balance of interest of all such awards.

(2)(A) For the purpose of computing the payments to be made under paragraph (1) to any claimant which was an incorporated business enterprise on the date of nationalization or other taking of property, the award certified by the Commission under subchapter V of this chapter shall be reduced by the amount of Federal tax benefits derived by such claimant on account of the losses upon which such claim was based, but in no case shall such payments be reduced below the amount paid to such claimant on account of such claim before October 13, 1980. For purposes of this subparagraph, such Federal tax benefits shall be the amount by which the claimant's taxes in any prior taxable year or years under chapters 1, 2A, 2B, 2D, and 2E of the Internal Revenue Code of 1939, or subtitle A of the Internal Revenue Code of 1986, were decreased with respect to the loss or losses upon which the claim was based. The sum of the amounts which would otherwise be payable but for this paragraph which are not paid to any such claimant shall be aggregated, and the Secretary of the Treasury is authorized and di-

rected to make payments out of such aggregated sums in accordance with subparagraph (B).

(B) To the extent that there remain unpaid principal balances on awards to claimants which were, on the date of nationalization or other taking of property, nonprofit organizations operated exclusively for the promotion of social welfare, religious, charitable, or educational purposes (after payments made to such nonprofit organizations pursuant to subparagraphs (A) and (B) of paragraph (1) are taken into account), the Secretary of the Treasury is authorized and directed to make payments from time to time on account of the unpaid principal balance of each remaining award to such nonprofit organizations which bear to such unpaid principal balance the same proportion as the total sums aggregated pursuant to subparagraph (A) at the times such payments are made bear to the aggregate unpaid principal balance of all such awards to nonprofit organizations.

(g) Authority to invest and recover expenses from funds

The Secretary of the Treasury is authorized and directed to invest the amounts held respectively in the "special funds" established by this section in public debt securities with maturities suitable for the needs of the separate accounts and bearing interest at rates determined by the Secretary, taking into consideration the average market yield on outstanding marketable obligations of the United States of comparable maturities. The interest earned on the amounts in each special fund shall be used to make payments, in accordance with subsection (c) of this section, on awards payable from that special fund.

(Mar. 10, 1950, ch. 54, title I, § 8, 64 Stat. 17; Aug. 9, 1955, ch. 645, § 1, 69 Stat. 562; Pub. L. 90-421, § 1(4), (5), July 24, 1968, 82 Stat. 420; Pub. L. 96-445, Oct. 13, 1980, 94 Stat. 1891; Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095; Pub. L. 100-204, title I, § 142(a), Dec. 22, 1987, 101 Stat. 1350.)

REFERENCES IN TEXT

The Internal Revenue Code of 1939, referred to in subsec. (f)(2)(A), was generally repealed by section 7851 of the Internal Revenue Code of 1954, Title 26. The Internal Revenue Code of 1954 was redesignated the Internal Revenue Code of 1986 by Pub. L. 99-514, § 2, Oct. 22, 1986, 100 Stat. 2095. For table of comparisons of the 1939 Code to the 1986 Code, see Table I preceding section 1 of Title 26, Internal Revenue Code. See also section 7852(b) of Title 26, Internal Revenue Code, for provision that references in any other law to a provision of the 1939 Code, unless expressly incompatible with the intent thereof, shall be deemed a reference to the corresponding provision of the 1986 Code.

Chapter 1 of the Internal Revenue Code of 1939, referred to in subsec. (f)(2)(A), was comprised of sections 1 to 482 of former Title 26, Internal Revenue Code. Section 14 of former Title 26 was repealed by act Oct. 20, 1951, ch. 521, title I, pt. II, § 121(g), 65 Stat. 469. Sections 34 and 185 of former Title 26 were repealed by act Feb. 25, 1944, ch. 63, title I, §§ 106(c)(2), 107(a), 58 Stat. 31. Sections 264 and 363 of former Title 26 were repealed by act Oct. 21, 1942, ch. 619, title I, §§ 159(e), 170(a), 56 Stat. 860, 878. Sections 430 to 474 of former Title 26 were omitted, and subsequently, along with the remaining sections of former Title 26 comprising chapter 1, except sections 143 and 144, were repealed by sections 7851(a)(1)(A) of Title 26, Internal Revenue Code. Sections 143 and 144 of former Title 26 were repealed by section 7851(a)(1)(B) of Title 26.

Chapter 2A of the Internal Revenue Code of 1939, referred to in subsec. (f)(2)(A), was comprised of sections 500 to 511 of former Title 26, Internal Revenue Code. Sections 500 to 511 were repealed by section 7851(a)(1)(A) of Title 26, Internal Revenue Code.

Chapter 2B of the Internal Revenue Code of 1939, referred to in subsec. (f)(2)(A), was comprised of sections 600 to 605 of former Title 26, Internal Revenue Code. Sections 600 to 605 were repealed by act Nov. 8, 1945, ch. 453, title II, § 202, 59 Stat. 574, eff. with respect to taxable years ending June 30, 1946.

Chapter 2D of the Internal Revenue Code of 1939, referred to in subsec. (f)(2)(A), was comprised of sections 700 to 706 of former Title 26, Internal Revenue Code. Sections 700 to 716 were repealed by section 7851(a)(1)(A) of Title 26, Internal Revenue Code.

Chapter 2E of the Internal Revenue Code of 1939, referred to in subsec. (f)(2)(A), was comprised of sections 710 to 784 of former Title 26, Internal Revenue Code. Sections 710 to 736, 740, 742 to 744, 750, 751, 760, 761 and 780 to 784 were repealed by act Nov. 8, 1945, ch. 453, title I, § 122(a), 59 Stat. 568. Section 741 was repealed by act Oct. 21, 1942, ch. 619, title II, §§ 224(b), 228(b), 56 Stat. 920, 925. Section 752 was repealed by act Oct. 21, 1942, ch. 619, title II, § 229(a)(1), 56 Stat. 931, eff. as of Oct. 8, 1940.

Subtitle A of the Internal Revenue Code of 1986, referred to in subsec. (f)(2)(A), is subtitle A of act Aug. 16, 1954, ch. 736, 68A Stat. 4, as amended, which comprises Subtitle A (§ 1 et seq.) of Title 26, Internal Revenue Code.

REFERENCES TO THIS SUBCHAPTER DEEMED TO INCLUDE SECTION 119 OF H.R. 2076

References to this subchapter deemed to include section 119 of H.R. 2076, see section 119(b) of H.R. 2076, as enacted into law by Pub. L. 104-91, set out as an Authority of Foreign Claims Settlement Commission note under section 1644 of this title.

AMENDMENTS

1987—Subsec. (g). Pub. L. 100-204 added subsec. (g).

1986—Subsec. (f)(2)(A). Pub. L. 99-514 substituted "Internal Revenue Code of 1986" for "Internal Revenue Code of 1954".

1980—Subsec. (e). Pub. L. 96-445, § 1(1), substituted "Except as provided in subsection (f) of this section, the Secretary of the Treasury" for "The Secretary of the Treasury".

Subsec. (f). Pub. L. 96-445, § 1(2), added subsec. (f).

1968—Subsec. (c). Pub. L. 90-421, § 1(4), inserted "prior to July 24, 1968," after "the sums covered" and substituted "section 1626(b)(1) of this title" for "section 1626(b) of this title".

Subsec. (e). Pub. L. 90-421, § 1(5), added subsec. (e).

1955—Act Aug. 9, 1955, amended credit to section by designating act Mar. 10, 1950, as "title I".

ABOLITION OF INTERNATIONAL CLAIMS COMMISSION AND TRANSFER OF FUNCTIONS

International Claims Commission of the United States, including offices of its members, abolished and functions of Commission and of members, officers, and employees thereof transferred to Foreign Claims Settlement Commission of the United States by Reorg. Plan No. 1 of 1954, §§ 1, 2, 4, eff. July 1, 1954, 19 F.R. 3985, 68 Stat. 1279, set out as a note under section 1622 of this title.

For provisions transferring Foreign Claims Settlement Commission of the United States as a separate agency within the Department of Justice, see section 1622a et seq. of this title.

SUBCHAPTER II—VESTING AND LIQUIDATION OF BULGARIAN, HUNGARIAN, AND RUMANIAN PROPERTY

§ 1631. Definitions

As used in this subchapter the term—