

(other than any property or interest acquired by the United States prior to December 18, 1941), or the receipt by him of any earnings, increment, or proceeds thereof shall not render inapplicable any Federal, State, Territorial, or local tax for any period prior or subsequent to the date of such vesting or transfer, nor render applicable the exemptions provided in title II of the Social Security Act [42 U.S.C. 401 et seq.] with respect to service performed in the employ of the United States Government or of any instrumentality of the United States.

**(b) Payment by Custodian; liability of former owner; enforcement of tax liability; transfer of property**

The Alien Property Custodian shall, notwithstanding the filing of any claim or the institution of any suit under this chapter, pay any tax incident to any such property or interest, or the earnings, increment, or proceeds thereof, at the earliest time appearing to him to be not contrary to the interest of the United States. The former owner shall not be liable for any such tax accruing while such property, interest, earnings, increment, or proceeds are held by the Alien Property Custodian, unless they are returned pursuant to this chapter without payment of such tax by the Alien Property Custodian. Every such tax shall be paid by the Alien Property Custodian to the same extent, as nearly as may be deemed practicable, as though the property or interest had not been vested in or transferred to the Alien Property Custodian, and shall be paid only out of the property or interest, or earnings, increment, or proceeds thereof, to which they are incident or out of other property or interests acquired from the same former owner, or earnings, increment, or proceeds thereof. No tax liability may be enforced from any property or interest or the earnings, increment, or proceeds thereof while held by the Alien Property Custodian except with his consent. Where any property or interest is transferred, otherwise than pursuant to section 4309(a) or 4329 of this title, the Alien Property Custodian may transfer the property or interest free and clear of any tax, except to the extent of any lien for a tax existing and perfected at the date of vesting, and the proceeds of such transfer shall, for tax purposes, replace the property or interest in the hands of the Alien Property Custodian.

**(c) Computation; suspension of limitations, etc.**

Subject to the provisions of subsection (b) of this section, the manner of computing any Federal taxes, including without limitation by reason of this enumeration, the applicability in such computation of credits, deductions, and exemptions to which the former owner is or would be entitled, and the time and manner of any payment of such taxes and the extent of any compliance by the Custodian with provisions of Federal law and regulations applicable with respect to Federal taxes, shall be in accordance with regulations prescribed by the Commissioner of Internal Revenue with the approval of the Secretary of the Treasury to effectuate this section. Statutes of limitations on assessment, collection, refund, or credit of Federal taxes shall be suspended, with respect to any vested

property or interest, or the earnings, increment or proceeds thereof, while vested and for six months thereafter; but no interest shall be paid upon any refund with respect to any period during which the statute of limitations is so suspended.

**(d) "Tax" defined**

The word "tax" as used in this section shall include, without limitation by reason of this enumeration, any property, income, excess-profits, war-profits, excise, estate and employment tax, import duty, and special assessment; and also any interest, penalty, additional amount, or addition thereto not arising from any act, omission, neglect, failure, or delay on the part of the Custodian.

**(e) Exemptions**

Any tax exemption accorded to the Alien Property Custodian by specific provision of existing law shall not be affected by this section.

(Oct. 6, 1917, ch. 106, §36, as added Dec. 18, 1941, ch. 593, title III, §305, as added Aug. 8, 1946, ch. 878, §1, 60 Stat. 929.)

REFERENCES IN TEXT

The Social Security Act, referred to in subsec. (a), is act Aug. 14, 1935, ch. 531, 49 Stat. 620. Title II of the Act is classified generally to subchapter II (§401 et seq.) of chapter 7 of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see section 1305 of Title 42 and Tables.

This chapter, referred to in subsec. (b), was in the original "this Act", meaning act Oct. 6, 1917, ch. 106, 40 Stat. 411, known as the Trading with the enemy Act, also known as the Trading with the Enemy Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see section 4301 of this title and Tables.

CODIFICATION

Section was formerly classified to section 36 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

Prior to classification as section 36, section was formerly classified to section 620 of the former Appendix to this title.

TRANSFER OF FUNCTIONS

Functions vested by law in Alien Property Custodian and Office of Alien Property Custodian transferred to Attorney General by Reorg. Plan No. 1 of 1947, §101, eff. July 1, 1947, 12 F.R. 4534, 61 Stat. 951, set out in the Appendix to Title 5, Government Organization and Employees.

**§ 4334. Insurance of property**

The Alien Property Custodian may procure insurance in such amounts, and from such insurers, as he believes will adequately protect him against loss in connection with property or interest or proceeds held by him.

(Oct. 6, 1917, ch. 106, §37, as added Dec. 18, 1941, ch. 593, title III, §305, as added Aug. 8, 1946, ch. 878, §1, 60 Stat. 930.)

CODIFICATION

Section was formerly classified to section 37 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

Prior to classification as section 37, section was formerly classified to section 620 of the former Appendix to this title.

## TRANSFER OF FUNCTIONS

Functions vested by law in Alien Property Custodian and Office of Alien Property Custodian transferred to Attorney General by Reorg. Plan No. 1 of 1947, §101, eff. July 1, 1947, 12 F.R. 4534, 61 Stat. 951, set out in the Appendix to Title 5, Government Organization and Employees.

**§ 4335. Shipment of relief supplies; definitions**

(a) Notwithstanding any other provision of this chapter, it shall be lawful, at any time after the date of cessation of hostilities with any country with which the United States is at war, for any person in the United States to donate, or otherwise dispose of to, and to transport or deliver to, any person in such country any article or articles (including food, clothing, and medicine) intended to be used solely to relieve human suffering.

(b) As used in this section—

(1) the term “person” means any individual, partnership, association, company, or other unincorporated body of individuals, or corporation or body politic;

(2) with respect to any country with which the United States was at war on January 1, 1946, the term “date of cessation of hostilities” shall mean the date of enactment of this Act;

(3) with respect to any other war the term “date of cessation of hostilities” shall mean the date specified by proclamation of the President or by a concurrent resolution of the two Houses of Congress whichever is the earlier.

(Oct. 6, 1917, ch. 106, §38, formerly §—, as added May 16, 1946, ch. 260, 60 Stat. 182, numbered Aug. 8, 1946, ch. 878, §3, 60 Stat. 930.)

## REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original “this Act”, meaning act Oct. 6, 1917, ch. 106, 40 Stat. 411, known as the Trading with the enemy Act, also known as the Trading with the Enemy Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see section 4301 of this title and Tables.

The date of enactment of this Act, referred to in subsec. (b)(2), probably means the date of enactment of act May 16, 1946, ch. 260, which was approved May 16, 1946.

## CODIFICATION

Section was formerly classified to section 38 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

**§ 4336. Retention of properties or interests of Germany and Japan and their nationals; proceeds covered into Treasury; ex gratia payment to Switzerland****(a) Retention of properties or interests of Germany and Japan and their nationals**

No property or interest therein of Germany, Japan, or any national of either such country vested in or transferred to any officer or agency of the Government at any time after December 17, 1941, pursuant to the provisions of this chapter, shall be returned to former owners thereof or their successors in interest, and the United States shall not pay compensation for any such property or interest therein. The net proceeds

remaining upon the completion of administration, liquidation, and disposition pursuant to the provisions of this chapter of any such property or interest therein shall be covered into the Treasury at the earliest practicable date. Nothing in this section shall be construed to repeal or otherwise affect the operation of the provisions of section 4329, 4337, 4338, 4339 or 4340 of this title or of the Philippine Property Act of 1946 [22 U.S.C. 1381 et seq.].

**(b) Cover into Treasury of sums received by Attorney General**

The Attorney General shall cover into the Treasury, to the credit of miscellaneous receipts, all sums from property vested in or transferred to the Attorney General under this chapter—

(1) which the Attorney General receives after August 23, 1988, or

(2) which the Attorney General received before that date and which, as of that date, the Attorney General had not covered into the Treasury for deposit in the War Claims Fund, other than any such sums which the Attorney General determines in his or her discretion are the subject matter of any judicial action or proceeding.

**(c) Ex gratia payment to Government of Switzerland**

Notwithstanding any of the provisions of subsections (a) and (b) of this section, the Attorney General is authorized to pay from property vested in or transferred to the Attorney General under this chapter, the sum of \$20,000 as an ex gratia payment to the Government of Switzerland in accordance with the terms of the agreement entered into by that Government and the Government of the United States on March 12, 1980.

(Oct. 6, 1917, ch. 106, §39, as added July 3, 1948, ch. 826, §12, 62 Stat. 1246; amended Aug. 7, 1953, ch. 344, 67 Stat. 461; Pub. L. 85-884, Sept. 2, 1958, 72 Stat. 1708; Pub. L. 87-846, title II, §§202, 204(c), Oct. 22, 1962, 76 Stat. 1113, 1115; Pub. L. 87-861, §1, Oct. 23, 1962, 76 Stat. 1139; Pub. L. 89-619, Oct. 4, 1966, 80 Stat. 871; Pub. L. 99-93, title VIII, §803, Aug. 16, 1985, 99 Stat. 449; Pub. L. 100-418, title II, §2501(a), Aug. 23, 1988, 102 Stat. 1370.)

## REFERENCES IN TEXT

This chapter, referred to in text, was in the original “this Act”, meaning act Oct. 6, 1917, ch. 106, 40 Stat. 411, known as the Trading with the enemy Act, also known as the Trading with the Enemy Act, which is classified principally to this chapter. For complete classification of this Act to the Code, see section 4301 of this title and Tables.

The Philippine Property Act of 1946, referred to in subsec. (a), is act July 3, 1946, ch. 536, 60 Stat. 418, which is classified generally to subchapter V (§1381 et seq.) of chapter 15 of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 1381 of Title 22 and Tables.

## CODIFICATION

Section was formerly classified to section 39 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

## AMENDMENTS

1988—Subsecs. (b) to (f). Pub. L. 100-418 added subsec. (b), redesignated subsec. (f) as (c) and substituted “and