

ing a debt due or owing to the United States as a result of its acquisition by the Alien Property Custodian.

**(i) Exclusiveness of relief**

The sole relief and remedy available to any person seeking satisfaction of a debt claim out of any property or interest which shall have been vested in or transferred to the Alien Property Custodian (other than any property or interest acquired by the United States prior to December 18, 1941), or the proceeds thereof, shall be the relief and remedy provided in this section, and suits for the satisfaction of debt claims shall not be instituted, prosecuted, or further maintained except in conformity with this section: *Provided*, That no person asserting any interest, right, or title in any property or interest or proceeds acquired by the Alien Property Custodian, shall be barred from proceeding pursuant to this chapter for the return thereof, by reason of any proceeding which he may have brought pursuant to this section; nor shall any security interest asserted by the creditor in any such property or interest or proceeds be deemed to have been waived solely by reason of such proceeding. The Alien Property Custodian shall treat all debt claims now filed with him as claims filed pursuant to this section. Nothing contained in this section shall bar any person from the prosecution of any suit at law or in equity against the original debtor or against any other person who may be liable for the payment of any debt for which a claim might have been filed hereunder. No purchaser, lessee, licensee, or other transferee of any property or interest from the Alien Property Custodian shall, solely by reason of such purchase, lease, license, or transfer, become liable for the payment of any debt owed by the person who owned such property or interest prior to its vesting in or transfer to the Alien Property Custodian. Payment by the Alien Property Custodian to any debt claimant shall constitute, to the extent of payment, a discharge of the indebtedness represented by the claim.

(Oct. 6, 1917, ch. 106, §34, as added Dec. 18, 1941, ch. 593, title III, §305, as added Aug. 8, 1946, ch. 878, §1, 60 Stat. 925; amended June 25, 1948, ch. 646, §32(a), 62 Stat. 991; May 24, 1949, ch. 139, §127, 63 Stat. 107.)

REFERENCES IN TEXT

This chapter, referred to in subsections (a), (b), and (i), 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.

Sections 1 to 6 of the Criminal Code, referred to in subsection (a), are sections 1 to 6 of act Mar. 4, 1909, ch. 321, 35 Stat. 1088, which were classified to sections 1 to 6 of former Title 18, Criminal Code and Criminal Procedure, prior to repeal and reenactment as sections 953 and 2381 to 2384 of Title 18, Crimes and Criminal Procedure, by act June 25, 1948, ch. 645, §21, 62 Stat. 862.

Title I of act of June 15, 1917 (ch. 30, 40 Stat. 217), referred to in subsection (a), is title I of act June 15, 1917, ch. 30, 40 Stat. 217, which was classified to sections 31 to 38 of this title, prior to repeal by act June 25, 1948, ch. 645, §21, 62 Stat. 862, and reenactment as sections 792 to 794 and 2388 of Title 18, Crimes and Criminal Procedure.

Act of April 20, 1918 (ch. 59, 40 Stat. 534), referred to in subsection (a), is act Apr. 20, 1918, ch. 59, 40 Stat. 534, which was classified to sections 101 to 106 of this title, prior to repeal by act June 25, 1948, ch. 645, §21, 62 Stat. 862, and reenactment as sections 2151 and 2153 to 2156 of Title 18, Crimes and Criminal Procedure.

Act of June 8, 1934 (ch. 327, 52 Stat. 631), referred to in subsection (a), probably means act June 8, 1938, ch. 327, 52 Stat. 631, known as the Foreign Agents Registration Act of 1938, which is classified generally to subchapter II (§611 et seq.) of chapter 11 of Title 22, Foreign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 611 of Title 22 and Tables.

Act January 12, 1938 (ch. 2, 52 Stat. 3), referred to in subsection (a), is act Jan. 12, 1938, ch. 2, 52 Stat. 3, which was classified to sections 45 to 45d of this title, prior to repeal by act June 25, 1948, ch. 645, §21, 62 Stat. 862, and reenactment as sections 791 and 795 to 797 of Title 18, Crimes and Criminal Procedure.

Title I, Alien Registration Act, 1940 (ch. 439, 54 Stat. 670), referred to in subsection (a), is title I of act June 28, 1940, ch. 439, 54 Stat. 670, which was classified to sections 9 to 13 of former Title 18, Criminal Code and Criminal Procedure, prior to repeal and reenactment as sections 2385 and 2387 of Title 18, Crimes and Criminal Procedure, by act June 25, 1948, ch. 645, §21, 62 Stat. 862.

Act October 17, 1940 (ch. 897, 54 Stat. 1201), referred to in subsection (a), is act Oct. 17, 1940, ch. 897, 54 Stat. 1201, which was classified to sections 14 to 17 of former Title 18, Criminal Code and Criminal Procedure, prior to repeal and reenactment as section 2386 of Title 18, Crimes and Criminal Procedure, by act June 25, 1948, ch. 645, §21, 62 Stat. 862.

Act of June 25, 1942 (ch. 447, 56 Stat. 390), referred to in subsection (a), is act June 25, 1942, ch. 447, 56 Stat. 390, as amended, which was classified to sections 781 to 785 of the former Appendix to this title and was omitted from the Code as terminated.

The Alien Enemy Act, referred to in subsection (a), probably means sections 4067 to 4070 of the Revised Statutes, which are classified to sections 21 to 24 of this title.

CODIFICATION

In subsection (g), "sections 3713(a) and 9309 of title 31" substituted for "sections 191 and 193 of title 31 of the United States Code" on authority of Pub. L. 97-258, §4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

Section was formerly classified to section 34 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

Prior to classification as section 34, section was formerly classified to section 620 of the former Appendix to this title.

CHANGE OF NAME

In subsections (e) and (f), "United States District Court for the District of Columbia" substituted for "the district court of the United States for the District of Columbia" on authority of act June 25, 1948, as amended by act May 24, 1949.

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.

**§ 4332. Hearings on claims; rules and regulations; delegation of powers**

The officer or agency empowered to entertain claims under sections 4309(a), 4329, and 4331 of this title shall have power to hold such hearings as may be deemed necessary; to prescribe rules

and regulations governing the form and contents of claims, the proof thereof, and all other matters related to proceedings on such claims; and in connection with such proceedings to issue subpoenas, administer oaths, and examine witnesses. Such powers, and any other powers conferred upon such officer or agency by sections 4309(a), 4329, and 4331 of this title may be exercised through subordinate officers designated by such officer or agency.

(Oct. 6, 1917, ch. 106, §35, as added Dec. 18, 1941, ch. 593, title III, §305, as added Aug. 8, 1946, ch. 878, §1, 60 Stat. 928.)

#### CODIFICATION

Section was formerly classified to section 35 of the former Appendix to this title prior to editorial reclassification and renumbering as this section.

Prior to classification as section 35, section was formerly classified to section 620 of the former Appendix to this title.

### § 4333. Taxes

#### (a) Liability; exemptions

The vesting in or transfer to the Alien Property Custodian of any property or interest (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.