

ance with subsection (d) of this section, payment may be made permits payment in full of all allowed claims in every prior class.

**(h) Priority as debt due United States**

No debt of any kind shall be entitled to priority under any law of the United States or any State, Territory, or possession thereof, or the District of Columbia, solely by reason of becoming a debt due or owing to the United States as a result of its acquisition by the designee of the President under this subchapter.

**(i) Exclusiveness of relief**

The sole relief and remedy available to any person seeking satisfaction of a debt claim out of any property vested in the designee under section 1631a(a) of this title, 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. No person asserting any interest, right, or title in any property or proceeds acquired by the designee shall be barred from proceeding pursuant to this subchapter 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 proceeds be deemed to have been waived solely by reason of such proceeding. 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 from the designee 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 prior to its vesting in the designee. Payment by the designee to any debt claimant shall constitute, to the extent of payment, a discharge of the indebtedness represented by the claim.

(Mar. 10, 1950, ch. 54, title II, § 208, as added Aug. 9, 1955, ch. 645, § 3, 69 Stat. 565.)

CODIFICATION

In subsec. (g), “sections 3713(a) and 9309 of title 31” substituted for “sections 3466 and 3468 of the Revised Statutes (31 U.S.C., secs. 191 and 193)” 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.

**§ 1631h. Hearings on claims; rules and regulations; delegation of powers**

The officer or agency designated by the President under this subchapter to entertain claims under sections 1631f(b) and 1631g 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 1631f(b) and 1631g of this title may be exercised through

subordinate officers designated by such officer or agency.

(Mar. 10, 1950, ch. 54, title II, § 209, as added Aug. 9, 1955, ch. 645, § 3, 69 Stat. 568.)

**§ 1631i. Limitations**

No suit may be instituted pursuant to section 1631f(a) of this title after the expiration of one year from the date of vesting of the property in respect of which relief is sought. No return may be made pursuant to section 1631f(b) of this title unless notice of claim has been filed within one year from the date of vesting of the property in respect of which the claim is filed.

(Mar. 10, 1950, ch. 54, title II, § 210, as added Aug. 9, 1955, ch. 645, § 3, 69 Stat. 568.)

**§ 1631j. Fees of agents, attorneys, or representatives**

No property or proceeds shall be returned under this subchapter, nor shall any payment be made or judgment awarded in respect of any property vested in any officer or agency designated by the President under this subchapter unless satisfactory evidence is furnished to said designee, or the court, as the case may be, that the aggregate of the fees to be paid to all agents, attorneys at law or in fact, or representatives, for services rendered in connection with such return or payment or judgment does not exceed 10 per centum of the value of such property or proceeds or of such payment. Any agent, attorney at law or in fact, or representative, believing that the aggregate of the fees should be in excess of such 10 per centum may, in the case of any return of, or the making of any payment in respect of, such property or proceeds by the President or such officer or agency as he may designate, petition the district court of the United States for the district in which he resides for an order authorizing fees in excess of 10 per centum and shall name such officer or agency as respondent. The court hearing such petition or a court awarding any judgment in respect of any such property or proceeds, as the case may be, shall approve an aggregate of fees in excess of 10 per centum of the value of such property or proceeds only upon a finding that there exist special circumstances of unusual hardship which require the payment of such excess. Any person accepting any fee in excess of an amount approved under this section, or retaining for more than thirty days any portion of a fee, accepted prior to such approval, in excess of the fee as approved, shall be guilty of a violation of this subchapter.

(Mar. 10, 1950, ch. 54, title II, § 211, as added Aug. 9, 1955, ch. 645, § 3, 69 Stat. 568.)

**§ 1631k. Taxes**

**(a) Liability**

The vesting in any officer or agency designated by the President under this subchapter of any property or the receipt by such designee of any earnings, increment, or proceeds thereof shall not render inapplicable any Federal, State, Territorial, or local tax for any period before or after such vesting.

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

The officer or agency designated by the President under this subchapter shall, notwithstanding the filing of any claim or the institution of any suit under this subchapter, pay any tax incident to any such property, 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, earnings, increment, or proceeds are held by such designee, unless they are returned pursuant to this subchapter without payment of such tax by the designee. Every such tax shall be paid by the designee to the same extent, as nearly as may be deemed practicable, as though the property had not been vested, and shall be paid only out of the property, or earnings, increment, or proceeds thereof, to which they are incident or out of other property acquired from the same former owner, or earnings, increment, or proceeds thereof. No tax liability may be enforced from any property or the earnings, increment, or proceeds thereof while held by the designee except with his consent. Where any property is transferred, otherwise than pursuant to section 1631f(a) or 1631f(b) of this title, the designee may transfer the property 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 in the hands of the designee.

**(c) Computation; suspension of limitations**

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 designee with provisions of Federal law and regulations applicable with respect to Federal taxes, shall be in accordance with regulations prescribed by the Secretary of the Treasury to effectuate this section. Statutes of limitations on assessments, collection, refund, or credit of Federal taxes shall be suspended with respect to any vested property 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 designee.

(Mar. 10, 1950, ch. 54, title II, §212, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 569.)

**§ 1631f. Determination of expenses and time for filing suit, notice of claim and debt claim**

Prior to covering the net proceeds of liquidation of any property into the Treasury pursuant to section 1631a(a) of this title, the designee of the President under this subchapter shall determine—

(1) the amount of his administrative expenses attributable to the performance of his functions under this subchapter with respect to such property and the proceeds thereof. The amount so determined, together with an amount not exceeding that expended or incurred for the conservation, preservation, or maintenance of such property and the proceeds thereof, and for taxes in respect of same, shall be deducted and retained by the designee from the proceeds otherwise covered into the Treasury; and

(2) that the time for the institution of a suit under section 1631f(a) of this title, for the filing of a notice of claim under section 1631f(b) of this title, and for the filing of debt claims under section 1631g of this title has elapsed.

The determinations of the designee under this section shall be final and conclusive.

(Mar. 10, 1950, ch. 54, title II, §213, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 570.)

**§ 1631m. Lien, attachment, garnishment, etc., of transferred property**

No property conveyed, transferred, assigned, delivered, or paid to the designee of the President under this subchapter, or the net proceeds thereof, shall be liable to lien, attachment, garnishment, trustee process, or execution, or subject to any order or decree of any court, except as provided in this subchapter.

(Mar. 10, 1950, ch. 54, title II, §214, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 570.)

**§ 1631n. Penalties**

Whoever shall willfully violate any provision of this subchapter or any rule or regulation issued hereunder, and whoever shall willfully violate, neglect, or refuse to comply with any order of the President or of a designee of the President under this subchapter, issued in compliance with the provisions of this subchapter shall be fined not more than \$5,000, or, if a natural person, imprisoned for not more than five years, or both; and the officer, director, or agent of any corporation who knowingly participates in such violation shall be punished by a like fine, imprisonment, or both.

(Mar. 10, 1950, ch. 54, title II, §215, as added Aug. 9, 1955, ch. 645, §3, 69 Stat. 570.)

**§ 1631o. Eligibility for return of interest in property**

**(a) Persons eligible; determination; prerequisites**

Notwithstanding any other provision of this chapter or any provision of the Trading With the Enemy Act, as amended, any person (1) who was formerly a national of Bulgaria, Hungary, or Rumania, and (2) who, as a consequence of any law, decree, or regulation of the nation of which he