

CHAP. 280.—An Act To amend the Revenue Act of 1921 in respect to income tax of nonresident aliens.

March 4, 1923.
[H. R. 14050]
[Public, No. 531.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 210 of the Revenue Act of 1921 is amended, to take effect January 1, 1922, to read as follows:

Income tax.
Ante, p. 233, amended

"NORMAL TAX.

Normal tax.

"SEC. 210. (a) That in lieu of the tax imposed by section 210 of the Revenue Act of 1918 there shall be levied, collected, and paid for each taxable year upon the net income of every individual (except as provided in subdivision (b) of this section) a normal tax of 8 per centum of the amount of the net income in excess of the credits provided in section 216, except that in the case of a citizen or resident of the United States the rate upon the first \$4,000 of such excess amount shall be 4 per centum.

In lieu of tax of 1918.

Ante, p. 242.

On first \$4,000 of citizens or residents.

"(b) In lieu of the tax imposed by subdivision (a) there shall be levied, collected, and paid for the taxable year 1922 and each taxable year thereafter, upon the net income of every nonresident alien individual, a resident of a contiguous country, a normal tax equal to the sum of the following:

On nonresident aliens in contiguous country.

"(1) 4 per centum of the amount of the net income attributable to compensation for labor or personal services performed in the United States in excess of the credits provided in subdivisions (d) and (e) of section 216; but the amount taxable at such 4 per centum rate shall not exceed \$4,000; and

Computation.
On income from sources in United States.

Limit.

"(2) 8 per centum of the amount of the net income in excess of the sum of (A) the amount taxed under paragraph (1) plus (B) the credits provided in section 216."

On excess income.
Ante, p. 243.

SEC. 2. That subdivision (e) of section 216 of the Revenue Act of 1921 is amended, to take effect January 1, 1922, to read as follows:

Credits allowed individuals.

"(e) In the case of a nonresident alien individual, or of a citizen entitled to the benefits of section 262, the personal exemption shall be only \$1,000. The credit provided in subdivision (d) shall not be allowed in the case of a nonresident alien individual unless he is a resident of a contiguous country, nor in the case of a citizen entitled to the benefits of section 262."

Nonresident aliens.
Ante, p. 243

Dependents.

Approved, March 4, 1923.

CHAP. 281.—An Act To extend the benefits of section 14 of the Pay Readjustment Act of June 10, 1922, to validate certain payments made to National Guard and reserve officers and warrant officers, and for other purposes.

March 4, 1923.
[H. R. 14077.]
[Public, No. 532.]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That officers and warrant officers of the National Guard, while participating in exercises or performing the duties provided for by sections 94, 97, and 99 of the National Defense Act, approved June 3, 1916, as amended, and reserve officers and reserve warrant officers of any of the services mentioned in the title of the Pay Readjustment Act of June 10, 1922, while on active duty, including duty for training purposes, shall receive the allowances prescribed for officers and warrant officers of the Regular services under sections 5, 6, and 11 of the said pay Act, and payments heretofore made, or accruing under the operation of this section, hereby made retroactive in effect, for rental allowances to officers and warrant officers of the National Guard or reserves while attending camps of instruction or service schools are hereby validated.

National Guard.
Officers of, and reserve officers, to receive Regular Army, while on active duty, etc.
Vol 39, pp 206, 207.

Payments made, of services, rental allowances at camps, etc., made retroactive and validated.