

68A Stat. 732.

26 USC 1441-1465.

“(2) Any amount paid as estimated income tax for any taxable year shall be deemed to have been paid on the last day prescribed for filing the return under section 6012 for such taxable year (determined without regard to any extension of time for filing such return).

“(3) Any tax withheld at the source under chapter 3 shall, in respect of the recipient of the income, be deemed to have been paid by such recipient on the last day prescribed for filing the return under section 6012 for the taxable year (determined without regard to any extension of time for filing) with respect to which such tax is allowable as a credit under section 1462. For this purpose, any exemption granted under section 6012 from the requirement of filing a return shall be disregarded.”

(2) Section 6513(c) (relating to return and payment of Social Security taxes and income tax withholding) is amended—

(A) by striking out “chapter 21 or 24” and inserting in lieu thereof “chapter 3, 21, or 24”; and

(B) by striking out “remuneration” in paragraph (2) and inserting in lieu thereof “remuneration or other amount”.

(3) Section 6501(b) (relating to time returns deemed filed) is amended—

(A) by striking out “chapter 21 or 24” in paragraphs (1) and (2) and inserting in lieu thereof “chapter 3, 21, or 24”; and

(B) by inserting after “taxes” in the heading of paragraph (2) “and tax imposed by chapter 3”.

(4) The amendments made by this subsection shall take effect on the date of the enactment of this Act.

SEC. 106. FOREIGN TAX CREDIT.

(a) ALLOWANCE OF CREDIT TO CERTAIN NONRESIDENT ALIENS AND FOREIGN CORPORATIONS.—

26 USC 901-905.

(1) Subpart A of part III of subchapter N of chapter 1 (relating to foreign tax credit) is amended by adding at the end thereof the following new section:

“SEC. 906. NONRESIDENT ALIEN INDIVIDUALS AND FOREIGN CORPORATIONS.

“(a) ALLOWANCE OF CREDIT.—A nonresident alien individual or a foreign corporation engaged in trade or business within the United States during the taxable year shall be allowed a credit under section 901 for the amount of any income, war profits, and excess profits taxes paid or accrued during the taxable year (or deemed, under section 902, paid or accrued during the taxable year) to any foreign country or possession of the United States with respect to income effectively connected with the conduct of a trade or business within the United States.

76 Stat. 999.

“(b) SPECIAL RULES.—

“(1) For purposes of subsection (a) and for purposes of determining the deductions allowable under sections 873(a) and 882(c), in determining the amount of any tax paid or accrued to any foreign country or possession there shall not be taken into account any amount of tax to the extent the tax so paid or accrued is imposed with respect to income from sources within the United States which would not be taxed by such foreign country or possession but for the fact that—

“(A) in the case of a nonresident alien individual, such individual is a citizen or resident of such foreign country or possession, or

Ante, pp. 1550, 1555.