

imposed by this chapter (including any credit or deduction for the amount of taxes paid or accrued to a foreign country or possession of the United States) shall be allowed to the extent such deduction, exclusion, or credit is properly allocable to or chargeable against amounts excluded from gross income under subsection (a).

“(7) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of this section, including regulations providing rules—

“(A) for cases where a husband and wife each have earned income from sources outside the United States, and

“(B) for married individuals filing separate returns.

“(e) ELECTION.—

“(1) IN GENERAL.—An election under subsection (a) shall apply to the taxable year for which made and to all subsequent taxable years unless revoked under paragraph (2).

“(2) REVOCATION.—A taxpayer may revoke an election made under paragraph (1) for any taxable year after the taxable year for which such election was made. Except with the consent of the Secretary, any taxpayer who makes such a revocation for any taxable year may not make another election under this section for any subsequent taxable year before the 6th taxable year after the taxable year for which such revocation was made.

“(f) CROSS REFERENCES.—

“For administrative and penal provisions relating to the exclusions provided for in this section, see sections 6001, 6011, 6012(c), and the other provisions of subtitle F.”

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for subpart B of part III of subchapter N of chapter 1 is amended by striking out the item relating to section 911 and inserting in lieu thereof the following:

“Sec. 911. Citizens or residents of the United States living abroad.”

26 USC 43.

(2) Section 43(c)(1)(C)(i) is amended by striking out “relating to income earned by individuals in certain camps outside the United States” and inserting in lieu thereof “relating to citizens or residents of the United States living abroad”.

26 USC 1302,
1304, 1402, 6012,
6091.

(3) Sections 1302(b)(2)(A)(i), 1304(b)(1), 1402(a)(8), 6012(c), and 6091(b)(1)(B)(iii) are each amended by striking out “relating to income earned by employees in certain camps” and inserting in lieu thereof “relating to citizens or residents of the United States living abroad”.

26 USC 37, 63,
105, 410, 879,
1303, 1304.

(4) Sections 37(e)(9)(B), 63(e)(2), 105(h)(3)(B)(v), 410(b)(3)(C), 879(a)(1), 1303(c)(2), and 1304(c)(3) are each amended by striking out “section 911(b)” each place it appears and inserting in lieu thereof “section 911(d)(2)”.

Ante, p. 190.

(5) Paragraph (11) of section 1402(a) is amended to read as follows:

“(11) in the case of an individual described in section 911(d)(1)(B), the exclusion from gross income provided by section 911(a)(1) shall not apply; and”.

SEC. 112. REPEAL OF DEDUCTION FOR CERTAIN EXPENSES OF LIVING ABROAD.

26 USC 913.

(a) IN GENERAL.—Section 913 (relating to deduction for certain expenses of living abroad) is hereby repealed.

(b) CONFORMING AMENDMENTS.—