

matters of design and construction or conversion, and the control, custody, and sole right to possession of such vessel shall be transferred to the Navy Department upon the completion of such construction or conversion: *Provided*, That the authority contained in this section shall be limited to the tonnage authorization contained in section one hereof and to similar authorizations heretofore or hereafter enacted.

SEC. 3. There is hereby authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary to effectuate the purposes of this Act.

Approved June 17, 1943.

Appropriation au-
thorized.
Post, p. 209.

[CHAPTER 129]

JOINT RESOLUTION

To continue the temporary increases in postal rates on first-class matter, and for other purposes.

June 17, 1943
[H. J. Res. 134]
[Public Law 77]

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That section 1001 (a), as amended (relating to temporary increase in first-class postage rate), of the Revenue Act of 1932, and section 2, as amended (authorizing the President to modify certain postage rates), of the Act entitled "An Act to extend the gasoline tax for one year, to modify postage rates on mail matter, and for other purposes", approved June 16, 1933, are further amended by striking out "July 1, 1943" wherever appearing therein and inserting in lieu thereof "July 1, 1945", and by striking out "June 30, 1943" wherever appearing therein and inserting in lieu thereof "June 30, 1945".

Postage rates on
first-class matter.
47 Stat. 285; 48 Stat.
254; 55 Stat. 210.
39 U. S. C., Supp.
II, § 280 note.

Approved June 17, 1943.

[CHAPTER 130]

AN ACT

To amend section 511 of the Merchant Marine Act, 1936, as amended, relating to ship construction reserve funds, and for other purposes.

June 17, 1943
[S. 163]
[Public Law 78]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 511 of the Merchant Marine Act, 1936, as amended, is hereby amended as follows:

(a) The first sentence of subsection (b) of such section is amended to read as follows: "For the purposes of promoting the construction of vessels necessary to carrying out the policy set forth in title I of this Act, any citizen of the United States who is operating a vessel or vessels in the foreign or domestic commerce of the United States or in the fisheries or owns in whole or in part a vessel or vessels being so operated, or who, at the time of purchase or requisition of the vessel by the Government, was operating a vessel or vessels so engaged or owned in whole or in part a vessel or vessels being so operated or had acquired or was having constructed a vessel or vessels for the purpose of operation in such commerce or in the fisheries, may establish a construction reserve fund, for the construction or acquisition of new vessels, to be composed of deposits of proceeds from sales of vessels, indemnities on account of losses of vessels, earnings from the operation of vessels, and receipts, in the form of interest or otherwise, with respect to amounts previously deposited."

(b) The second sentence of subsection (c) of such section is amended to read as follows: "For the purposes of this subsection

Merchant Marine
Act, 1936, amend-
ment.

54 Stat. 1100.
46 U. S. C. § 1161.

Ship construction
reserve funds.
Establishment.

49 Stat. 1985.
46 U. S. C. § 1101.

Time limitations for
deposits.

no amount shall be considered as deposited in a construction reserve fund unless it is deposited within sixty days after it is received by the taxpayer except that (1) in the case of amounts received before December 10, 1940, the deposit may be made not later than February 7, 1941, and (2) in the case of amounts received at any time between May 27, 1941, and the date of enactment of this amendatory clause, the deposit of which by the taxpayer is authorized by the amendments to subsection (b), the taxpayer may make such deposit at any time within one hundred and twenty days from such date of enactment, and the Commission may approve any such deposit previously made if, in other respects, it complies with the provisions of this section, as amended."

(c) Subsection (g) of such section is amended to read as follows:

Manner and time of expenditure.

"(g) The provisions of subsections (c) and (f) shall apply to any deposit in the construction reserve fund only to the extent that such deposit is expended or obligated for expenditure, in accordance with rules and regulations to be prescribed jointly by the Commission and the Secretary of the Treasury, under a contract for the construction or acquisition of a new vessel or vessels (or in the discretion of the Commission, for a part interest therein) entered into within two years from the date of such deposit only if under such rules and regulations—

"(1) within such period of two years not less than 12½ per centum of the construction or contract price of the vessel or vessels is paid or irrevocably committed on account thereof and the plans and specifications therefor are approved by the Commission to the extent by it deemed necessary; and

"(2) in case of a vessel or vessels not constructed under the provisions of this title or not purchased from the Commission. (A) said construction is completed, within six months from the date of the construction contract, to the extent of not less than 5 per centum thereof (or in case the contract covers more than one vessel, the construction of the first vessel so contracted for is so completed to the extent of not less than 5 per centum) as estimated by the Commission and certified by it to the Secretary of the Treasury, and (B) all construction under such contract is completed with reasonable dispatch thereafter."

(d) Subsection (h) of such section is amended to read as follows:

Time extensions.

"(h) The Commission is authorized under rules and regulations to be prescribed jointly by the Secretary of the Treasury and the Commission to grant extensions of the period within which the deposits shall be expended or obligated or within which construction shall have progressed to the extent of 5 per centum of completion as provided herein, but such extension shall not be for an aggregate additional period in excess of two years with respect to the expenditure or obligation of such deposits or more than one year with respect to the progress of such construction: *Provided, however,* That until the termination of the present war or until such earlier time as the Congress by concurrent resolution or the President may designate, in addition to the extensions hereinbefore permitted, further extensions may be granted ending not later than six months after such termination of the present war or such earlier date as may be so designated."

Approved June 17, 1943.