

by a transfer of earned surplus or otherwise, bears to the total par value (or actual value if no par stock) of such certificates or shares issued in the recapitalization.”

53 Stat. 196.
26 U. S. C. § 1802 (b).
Transfer of interest
in partnership owning
shares.

Section 1802 (b) of the Internal Revenue Code is amended by inserting after the first proviso the following: “*Provided further*, That upon any transfer of an interest in a partnership owning shares or certificates of stock, the tax shall be limited to an amount equal to that percentage of a tax computed on the transfer of all of such shares or certificates of stock owned by the partnership as the interest transferred bears to the total interests in the partnership of all the partners.”

Supra.

Section 1802 (b) of the Internal Revenue Code is amended by inserting in the second proviso following the word “deposited” a comma and the words “nor upon mere loans of stock”.

53 Stat. 424.
26 U. S. C. § 3481 (a).

Section 3481 (a) of the Internal Revenue Code is amended by inserting after “*Provided*” the following: “That upon any transfer of an interest in a partnership owning such instruments, the tax shall be limited to an amount equal to that percentage of a tax computed on the transfer of all of such instruments owned by the partnership as the interest transferred bears to the total interests in the partnership of all the partners: *Provided further*.”

Approved August 8, 1947.

[CHAPTER 519]

AN ACT

August 8, 1947
[H. R. 4075]
[Public Law 388]

To regulate commerce among the several States, with the Territories and possessions of the United States, and with foreign countries; to protect the welfare of consumers of sugars and of those engaged in the domestic sugar-producing industry; to promote the export trade of the United States; and for other purposes.

Sugar Act of 1948.
Ante, p. 35.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the “Sugar Act of 1948”.

TITLE I—DEFINITIONS

Post, p. 934.

SEC. 101. For the purposes of this Act, except title V—

“Person.”

(a) The term “person” means an individual, partnership, corporation, or association.

“Sugars.”

(b) The term “sugars” means any grade or type of saccharine product derived from sugarcane or sugar beets, which contains sucrose, dextrose, or levulose.

“Sugar.”

(c) The term “sugar” means raw sugar or direct-consumption sugar.

“Raw sugar.”

(d) The term “raw sugar” means any sugars which are principally of crystalline structure and which are to be further refined or improved in quality, and any sugars which are principally not of crystalline structure, but which are to be further refined or otherwise improved in quality to produce any sugars principally of crystalline structure.

“Direct-consumption sugar.”

(e) The term “direct-consumption sugar” means any sugars which are principally of crystalline structure and which are not to be further refined or otherwise improved in quality.

“Liquid sugar.”

(f) The term “liquid sugar” means any sugars (exclusive of sirup of cane juice produced from sugarcane grown in continental United States) which are principally not of crystalline structure and which contain, or which are to be used for the production of any sugars principally not of crystalline structure which contain, soluble non-sugar solids (excluding any foreign substances that may have been added or developed in the product) equal to 6 per centum or less of the total soluble solids.

(g) Sugars in dry amorphous form shall be considered to be principally of crystalline structure.

Sugars in dry amorphous form.

(h) The "raw value" of any quantity of sugars means its equivalent in terms of ordinary commercial raw sugar testing ninety-six sugar degrees by the polariscope, determined in accordance with regulations to be issued by the Secretary. The principal grades and types of sugar and liquid sugar shall be translated into terms of raw value in the following manner:

"Raw value."

Principal grades and types.

(1) For direct-consumption sugar, derived from sugar beets and testing ninety-two or more sugar degrees by the polariscope, by multiplying the number of pounds thereof by 1.07;

(2) For sugar, derived from sugarcane and testing ninety-two sugar degrees by the polariscope, by multiplying the number of pounds thereof by 0.93;

(3) For sugar, derived from sugarcane and testing more than ninety-two sugar degrees by the polariscope, by multiplying the number of pounds thereof by the figure obtained by adding to 0.93 the result of multiplying 0.0175 by the number of degrees and fractions of a degree of polarization above ninety-two degrees;

(4) For sugar and liquid sugar, testing less than ninety-two sugar degrees by the polariscope, by dividing the number of pounds of the "total sugar content" thereof by 0.972.

Establishment of rates.

(5) The Secretary may establish rates for translating sugar and liquid sugar into terms of raw value for (a) any grade or type of sugar or liquid sugar not provided for in the foregoing and (b) any special grade or type of sugar or liquid sugar for which he determines that the raw value cannot be measured adequately under the provisions of paragraphs (1) to (4), inclusive, of this subsection (h).

(i) The term "total sugar content" means the sum of the sucrose (Clerget) and reducing or invert sugars contained in any grade or type of sugar or liquid sugar.

"Total sugar content."

"Quota."

(j) The term "quota", depending upon the context, means (1) that quantity of sugar or liquid sugar which may be brought or imported into the continental United States, for consumption therein, during any calendar year, from the Territory of Hawaii, Puerto Rico, the Virgin Islands, or a foreign country or group of foreign countries; (2) that quantity of sugar or liquid sugar produced from sugar beets or sugarcane grown in the continental United States which, during any calendar year, may be shipped, transported, or marketed in interstate commerce, or in competition with sugar or liquid sugar shipped, transported, or marketed in interstate or foreign commerce; or (3) that quantity of sugar or liquid sugar which may be marketed in the Territory of Hawaii or in Puerto Rico, for consumption therein, during any calendar year.

"Producer."

(k) The term "producer" means a person who is the legal owner, at the time of harvest or abandonment, of a portion or all of a crop of sugar beets or sugarcane grown on a farm for the extraction of sugar or liquid sugar.

"Including"; "include."

(l) The terms "including" and "include" shall not be deemed to exclude anything not mentioned but otherwise within the meaning of the term defined.

(m) The term "Secretary" means the Secretary of Agriculture.

"Secretary."

TITLE II—QUOTA PROVISIONS

SEC. 201. The Secretary shall determine for each calendar year, beginning with the calendar year 1948, the amount of sugar needed to meet the requirements of consumers in the continental United States; such determinations shall be made during the month of December in each year for the succeeding calendar year (in the case of the calendar

Determination of consumer requirements.

Basis.

year 1948, during the first ten days thereof) and at such other times during such calendar year as the Secretary may deem necessary to meet such requirements. In making such determinations the Secretary shall use as a basis the quantity of direct-consumption sugar distributed for consumption, as indicated by official statistics of the Department of Agriculture, during the twelve-month period ending October 31 next preceding the calendar year for which the determination is being made, and shall make allowances for a deficiency or surplus in inventories of sugar, and for changes in consumption because of changes in population and demand conditions, as computed from statistics published by agencies of the Federal Government; and, in order that such determinations shall be made so as to protect the welfare of consumers and of those engaged in the domestic sugar industry by providing such supply of sugar as will be consumed at prices which will not be excessive to consumers and which will fairly and equitably maintain and protect the welfare of the domestic sugar industry, the Secretary, in making any such determination, in addition to the consumption, inventory, population, and demand factors above specified and the level and trend of consumer purchasing power, shall take into consideration the relationship between the prices at wholesale for refined sugar that would result from such determination and the general cost of living in the United States as compared with the relationship between prices at wholesale for refined sugar and the general cost of living in the United States obtaining during 1947 prior to the termination of price control of sugar as indicated by the Consumers' Price Index as published by the Bureau of Labor Statistics of the Department of Labor.

SEC. 202. Whenever a determination is made, pursuant to section 201, of the amount of sugar needed to meet the requirements of consumers, the Secretary shall establish quotas, or revise existing quotas—

Domestic areas.

(a) For domestic sugar-producing areas, by apportioning among such areas 4,268,000 short tons, raw value, as follows:

Area	Short tons, raw value
Domestic beet sugar.....	1, 800, 000
Mainland cane sugar.....	500, 000
Hawaii.....	1, 052, 000
Puerto Rico.....	910, 000
Virgin Islands.....	6, 000

(b) For the Republic of the Philippines, in the amount of nine hundred and fifty-two thousand short tons of sugar as specified in section 211 of the Philippine Trade Act of 1946.

(c) For foreign countries other than the Republic of the Philippines, by prorating among such areas an amount of sugar, raw value, equal to the amount determined pursuant to section 201 less the sum of the quotas established pursuant to subsections (a) and (b) of this section, on the following basis:

Area	Per centum
Cuba.....	98.64
Foreign countries other than Cuba and the Republic of the Philippines.....	1.36

The quota for foreign countries other than Cuba and the Republic of the Philippines shall be prorated among such countries on the basis of the division of the quota for such countries made in General Sugar Quota Regulations, Series 4, Number 1, issued December 12, 1936, pursuant to the Agricultural Adjustment Act, as amended.

(d) Notwithstanding the other provisions of this title II, in the event the quota established for Cuba, including any and all deficits allotted or prorated to Cuba pursuant to the provisions of section 204 (a), shall be a smaller proportion of the total amount of sugar

Republic of the
Philippines.
60 Stat. 144.
22 U. S. C. § 1261.

Other foreign coun-
tries.

52 Stat. 31.
7 U. S. C. §§ 1281-
1407; 16 U. S. C.
§§ 590b, 590c.
Ante, pp. 721, 722.
Quota for Cuba.

which the Secretary determines is needed to meet the requirements of consumers in the continental United States pursuant to section 201 of this Act, than the quota which would have been established for Cuba upon such consumptive estimate under the provisions of section 202 (b) of the Sugar Act of 1937, the quotas for domestic sugar-producing areas established pursuant to the other provisions of this title II shall be reduced pro rata by such amounts as are required to establish such quota for Cuba and the amounts by which such domestic sugar-producing quotas are so reduced shall be added to the quota for Cuba.

50 Stat. 905.
7 U. S. C. § 1112 (b).

(e) If the Secretary of State finds that any foreign country denies fair and equitable treatment to the nationals of the United States, its commerce, navigation, or industry, and so notifies the Secretary, the Secretary shall have authority to withhold or withdraw any increase in the share of the domestic consumption requirements provided for such country by this Act as compared with the share allowed under section 202 (b) of the Sugar Act of 1937: *Provided*, That any amount of sugar so withheld or withdrawn shall be prorated to domestic areas on the basis of existing quotas for such areas and the Secretary shall revise such quotas accordingly: *Provided further*, That any portion of such amount of sugar which cannot be supplied by domestic areas may be prorated to foreign countries other than a country which the Secretary of State finds has denied fair and equitable treatment to nationals of the United States.

Authority to withhold or withdraw sugar.

Supra. Proration to domestic areas.

Proration to foreign countries.

Determination of consumer needs in Hawaii and Puerto Rico.

SEC. 203. In accordance with such provisions of section 201 as he deems applicable, the Secretary shall also determine the amount of sugar needed to meet the requirements of consumers in the Territory of Hawaii, and in Puerto Rico, and shall establish quotas for the amounts of sugar which may be marketed for local consumption in such areas equal to the amounts determined to be needed to meet the requirements of consumers therein.

Revision of quotas.

SEC. 204. (a) The Secretary shall, from time to time during the calendar year, determine whether, in view of the current inventories of sugar, the estimated production from the acreage of sugarcane or sugar beets planted, the normal marketings within a calendar year of new-crop sugar, and other pertinent factors, any domestic area, the Republic of the Philippines, or Cuba, will be unable to market the quota for such area. If the Secretary finds that any domestic area or Cuba will be unable to market the quota for such area for the calendar year then current, he shall revise the quotas for the domestic areas and Cuba by prorating an amount of sugar equal to the deficit so determined to the other such areas on the basis of the quotas then in effect: *Provided, however*, That domestic areas shall not share in any deficit of any domestic area if the then outstanding determination of the Secretary made pursuant to section 201 of the Act is less than seven million short tons, raw value. If the Secretary finds that the Republic of the Philippines will be unable to market the quota for such area for the calendar year then current, he shall revise the quotas for Cuba and foreign countries other than Cuba and the Republic of the Philippines by prorating an amount of sugar equal to the deficit so determined, as follows:

To Cuba.....	95 per centum
To foreign countries other than Cuba and the Republic of the Philippines.....	5 per centum

Provided, however, That whenever the quota for Cuba established under the provisions of this Act other than section 202 (d) is less than the amount required by the provisions of section 202 (d) of this Act, such prorations shall be as follows:

To Cuba.....	98.64 per centum
To foreign countries other than Cuba and the Republic of the Philippines.....	1.36 per centum

Proration of Philippine deficit.

Any portion of such Philippine deficit which the Secretary determines cannot be supplied by Cuba shall be prorated to foreign countries other than Cuba and the Republic of the Philippines. No part of any Philippine deficit so prorated may be filled by direct-consumption sugar.

Revision of proration among foreign countries.

(b) If, on the 1st day of September in any calendar year, any part or all of the proration to any foreign country of the quota for foreign countries other than Cuba and the Republic of the Philippines established under the provisions of section 202 (c) has not been filled, the Secretary may revise the proration of such quota among such foreign countries by allotting an amount of sugar equal to such unfilled proration to such foreign countries as have filled their prorations of such quota by such date.

Nonreduction of quota.

(c) The quota for any domestic area, the Republic of the Philippines, Cuba, or other foreign countries as established under the provisions of section 202 shall not be reduced by reason of any determination of a deficit existing in any calendar year under the provisions of subsections (a) and (b) of this section 204.

Basis of proration.

(d) Any proration among foreign countries other than Cuba and the Republic of the Philippines pursuant to this section shall be on such basis as the Secretary shall determine.

Allotment of quotas to persons marketing or importing sugar.

SEC. 205. (a) Whenever the Secretary finds that the allotment of any quota, or proration thereof, established for any area pursuant to the provisions of this Act, is necessary to assure an orderly and adequate flow of sugar or liquid sugar in the channels of interstate or foreign commerce, or to prevent disorderly marketing or importation of sugar or liquid sugar, or to maintain a continuous and stable supply of sugar or liquid sugar, or to afford all interested persons an equitable opportunity to market sugar or liquid sugar within any area's quota, after such hearing and upon such notice as he may by regulations prescribe, he shall make allotments of such quota or proration thereof by allotting to persons who market or import sugar or liquid sugar, for such periods as he may designate, the quantities of sugar or liquid sugar which each such person may market in continental United States, the Territory of Hawaii, or Puerto Rico, or may import or bring into continental United States, for consumption therein. Allotments shall be made in such manner and in such amounts as to provide a fair, efficient, and equitable distribution of such quota or proration thereof, by taking into consideration the processings of sugar or liquid sugar from sugar beets or sugarcane to which proportionate shares, determined pursuant to the provisions of subsection (b) of section 302, pertained; the past marketings or importations of each such person; and the ability of such person to market or import that portion of such quota or proration thereof allotted to him. The Secretary may also, upon such hearing and notice as he may by regulations prescribe, revise or amend any such allotment upon the same basis as the initial allotment was made.

Post, p. 930.

Revision of allotment.

(b) An appeal may be taken, in the manner hereinafter provided from any decision making such allotments, or revisions thereof, to the United States Court of Appeals for the District of Columbia in any of the following cases:

(1) By any applicant for an allotment whose application shall have been denied.

(2) By any person aggrieved by reason of any decision of the Secretary granting or revising any allotment made to him.

Appeal from decision.

(c) Such appeal shall be taken by filing with said court, within twenty days after the decision complained of is effective, notice in writing of said appeal and a statement of the reasons therefor, together

Filing of notice of appeal, etc.

with proof of service of a true copy of said notice and statement upon the Secretary. Unless a later date is specified by the Secretary as part of his decision, the decision complained of shall be considered to be effective as of the date on which public announcement of the decision is made at the office of the Secretary in the city of Washington. The Secretary shall thereupon, and in any event not later than ten days from the date of such service upon him, mail or otherwise deliver a copy of said notice of appeal to each person shown by the records of the Secretary to be interested in such appeal and to have a right to intervene therein under the provisions of this section, and shall at all times thereafter permit any such person to inspect and make copies of appellants' reasons for said appeal at the office of the Secretary in the city of Washington. Within thirty days after the filing of said appeal the Secretary shall file with the court the originals or certified copies of all papers and evidence presented to him upon the hearing involved, a like copy of his decision thereon, a full statement in writing of the facts and grounds for his decisions as found and given by him and a list of all interested persons to whom he has mailed or otherwise delivered a copy of said notice of appeal.

Effective date of decision.

Filing of certified copies, etc., by Secretary.

Intervention by interested person, etc.

(d) Within thirty days after the filing of said appeal any interested person may intervene and participate in the proceedings had upon said appeal by filing with the court a notice of intention to intervene and a verified statement showing the nature of the interest of such party together with proof of service of true copies of said notice and statement, both upon the appellant and upon the Secretary. Any person who would be aggrieved or whose interests would be adversely affected by reversal or modification of the decision of the Secretary complained of shall be considered an interested party.

Jurisdiction.

(e) At the earliest convenient time the court shall hear and determine the appeal upon the record before it, and shall have power, upon such record, to enter a judgment affirming or reversing the decision, and if it enters an order reversing the decision of the Secretary it shall remand the case to the Secretary to carry out the judgment of the court: *Provided, however,* That the review by the court shall be limited to questions of law and that findings of fact by the Secretary, if supported by substantial evidence, shall be conclusive unless it shall clearly appear that the findings of the Secretary are arbitrary or capricious. The court's judgment shall be final, subject, however, to review by the Supreme Court of the United States, upon writ of certiorari on petition therefor, under section 240 of the Judicial Code, as amended (U. S. C., title 28, sec. 347), by appellant, by the Secretary, or by any interested party intervening in the appeal.

Limitation.

Finality of judgment.

36 Stat. 1157.

Judgment for costs.

(f) The court may, in its discretion, enter judgment for costs in favor of or against an appellant, and other interested parties intervening in said appeal, but not against the Secretary, depending upon the nature of the issues involved in such appeal and the outcome thereof.

SEC. 206. Subject to the provisions of sections 207 and 408 relating to the suspension of quotas, sugar quotas shall be established pursuant to this Act for the calendar year 1948 within ten days after effective date of this Act.

Establishment of quotas for 1948. Post, p. 933.

SEC. 207. (a) Not more than twenty-nine thousand six hundred and sixteen short tons, raw value, of the quota for Hawaii for any calendar year may be filled by direct-consumption sugar.

Direct-consumption portions of quotas. Hawaii.

(b) Not more than one hundred and twenty-six thousand and thirty-three short tons, raw value, of the quota for Puerto Rico for any calendar year may be filled by direct-consumption sugar.

Puerto Rico.

(c) None of the quota for the Virgin Islands for any calendar year may be filled by direct-consumption sugar.

Virgin Islands.

Philippines.

(d) Not more than fifty-six thousand short tons of sugar of the quota for the Republic of the Philippines for any calendar year may be filled by direct-consumption sugar as specified in section 211 of the Philippine Trade Act of 1946.

60 Stat. 144.
22 U. S. C. § 1261.

Cuba.

(e) Not more than three hundred and seventy-five thousand short tons, raw value, of the quota for Cuba for any calendar year may be filled by direct-consumption sugar.

Nonapplicability.
Ante, p. 925.

(f) This section shall not apply with respect to the quotas established under section 203 for marketing for local consumption in Hawaii and Puerto Rico.

Suspension of direct-consumption portions of quotas.

(g) The direct-consumption portions of the quotas established pursuant to this section, and the enforcement provisions of title II applicable thereto, shall continue in effect and shall not be subject to suspension pursuant to the provisions of section 408 of this Act unless the President acting thereunder specifically finds and proclaims that a national economic or other emergency exists with respect to sugar or liquid sugar which requires the suspension of direct-consumption portions of the quotas.

Post, p. 933.

Quotas for liquid sugar for foreign countries.

SEC. 208. Quotas for liquid sugar for foreign countries for each calendar year are hereby established as follows:

Country	In terms of wine gallons of 72% total sugar content
Cuba -----	7, 970, 558
Dominican Republic -----	830, 894
Other foreign countries -----	0

Unlawful acts.

SEC. 209. All persons are hereby prohibited—

(a) From bringing or importing into the continental United States from the Territory of Hawaii, Puerto Rico, the Virgin Islands, or foreign countries, (1) any sugar or liquid sugar after the applicable quota, or the proration of any such quota, has been filled, or (2) any direct-consumption sugar after the direct-consumption portion of any such quota has been filled;

(b) From shipping, transporting, or marketing in interstate commerce, or in competition with sugar or liquid sugar shipped, transported, or marketed in interstate or foreign commerce, any sugar or liquid sugar produced from sugar beets or sugarcane grown in either the domestic-beet-sugar area or the mainland cane-sugar area after the quota for such area has been filled;

(c) From marketing in either the Territory of Hawaii or Puerto Rico, for consumption therein, any sugar or liquid sugar after the quota therefor has been filled;

(d) From exceeding allotments of any quota, direct-consumption portion of any quota, or proration of any quota, made to them pursuant to the provisions of this Act.

Determinations in terms of raw value.

SEC. 210. (a) The determinations provided for in sections 201 and 203, and all quotas, prorations, and allotments, except quotas established pursuant to the provisions of section 208, shall be made or established in terms of raw value.

Liquid sugar.

(b) For the purposes of this title, liquid sugar, except that imported from foreign countries, shall be included with sugar in making the determinations provided for in sections 201 and 203 and in the establishment or revision of quotas, prorations, and allotments.

Credits and drawbacks.

SEC. 211. (a) The raw-value equivalent of any sugar or liquid sugar in any form, including sugar or liquid sugar in manufactured products, exported from the continental United States under the provisions of section 313 of the Tariff Act of 1930 shall be credited against any charges which shall have been made in respect to the applicable quota or proration for the country of origin. The country of origin of sugar or liquid sugar in respect to which any credit shall be established

46 Stat. 693.
19 U. S. C. § 1313.

shall be that country in respect to importation from which draw-back of the exported sugar or liquid sugar has been claimed. Sugar or liquid sugar entered into the continental United States under an applicable bond established pursuant to orders or regulations issued by the Secretary, for the express purpose of subsequently exporting the equivalent quantity of sugar or liquid sugar as such, or in manufactured articles, shall not be charged against the applicable quota or proration for the country of origin.

(b) Exportation within the meaning of sections 309 and 313 of the Tariff Act of 1930 shall be considered to be exportation within the meaning of this section.

(c) The quota established for any domestic sugar-producing area may be filled only with sugar or liquid sugar produced from sugar beets or sugarcane grown in such area: *Provided, however,* That any sugar or liquid sugar admitted free of duty from the Virgin Islands under the Act of Congress, approved March 3, 1917 (39 Stat. 1133), may be admitted within the quota for the Virgin Islands.

SEC. 212. The provisions of this title shall not apply to (1) the first ten short tons, raw value, of sugar or liquid sugar imported from any foreign country, other than Cuba and the Republic of the Philippines, in any calendar year; (2) the first ten short tons, raw value, of sugar or liquid sugar imported from any foreign country, other than Cuba and the Republic of the Philippines, in any calendar year for religious, sacramental, educational, or experimental purposes; (3) liquid sugar imported from any foreign country, other than Cuba and the Republic of the Philippines, in individual sealed containers of such capacity as the Secretary may determine, not in excess of one and one-tenth gallons each; or (4) any sugar or liquid sugar imported, brought into, or produced or manufactured in the United States for the distillation of alcohol, or for livestock feed, or for the production of livestock feed.

TITLE III—CONDITIONAL-PAYMENT PROVISIONS

SEC. 301. The Secretary is authorized to make payments on the following conditions with respect to sugar or liquid sugar commercially recoverable from the sugar beets or sugarcane grown on a farm for the extraction of sugar or liquid sugar:

(a) That no child under the age of fourteen years shall have been employed or permitted to work on the farm, whether for gain to such child or any other person, in the production, cultivation, or harvesting of a crop of sugar beets or sugarcane with respect to which application for payment is made, except a member of the immediate family of a person who was the legal owner of not less than 40 per centum of the crop at the time such work was performed; and that no child between the ages of fourteen and sixteen years shall have been employed or permitted to do such work, whether for gain to such child or any other person, for a longer period than eight hours in any one day, except a member of the immediate family of a person who was the legal owner of not less than 40 per centum of the crop at the time such work was performed. The Secretary is authorized to make payments, notwithstanding a failure to comply with the conditions provided in this subsection, but the payments made with respect to any crop shall be subject to a deduction of \$10 for each child for each day, or a portion of a day, during which such child was employed or permitted to work contrary to the foregoing provisions of this subsection.

(b) That there shall not have been marketed (or processed) an amount (in terms of planted acreage, weight, or recoverable sugar content) of sugar beets or sugarcane grown on the farm and used for

46 Stat. 690, 692.
19 U. S. C. §§ 1309, 1313.

Filling of quota for domestic area.

Duty-free sugar from Virgin Islands.

48 U. S. C. § 1395.

Nonapplicability.

Child labor.

Marketing in excess of proportionate share.

the production of sugar or liquid sugar to be marketed in, or so as to compete with or otherwise directly affect interstate or foreign commerce, in excess of the proportionate share for the farm, as determined by the Secretary pursuant to the provisions of section 302, of the total quantity of sugar beets or sugarcane required to be processed to enable the area in which such sugar beets or sugarcane are produced to meet the quota (and provide a normal carry-over inventory) as estimated by the Secretary for such area for the calendar year during which the larger part of the sugar or liquid sugar from such crop normally would be marketed.

Wage rates.

(c) (1) That all persons employed on the farm in the production, cultivation, or harvesting of sugar beets or sugarcane with respect to which an application for payment is made shall have been paid in full for all such work, and shall have been paid wages therefor at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing; and in making such determinations the Secretary shall take into consideration the standards therefor formerly established by him under the Agricultural Adjustment Act, as amended, and the differences in conditions among various producing areas: *Provided, however,* That a payment which would be payable except for the foregoing provisions of this subparagraph may be made, as the Secretary may determine, in such manner that the laborer will receive an amount, insofar as such payment will suffice, equal to the amount of the accrued unpaid wages for such work, and that the producer will receive the remainder, if any, of such payment.

52 Stat. 31.
7 U. S. C. §§ 1281-
1407; 16 U. S. C.
§§ 590h, 590o.
Ante, pp. 721, 722.

Payment for sugar
beets, etc., grown by
other producers.

(2) That the producer on the farm who is also, directly or indirectly a processor of sugar beets or sugarcane, as may be determined by the Secretary shall have paid, or contracted to pay under either purchase or toll agreements, for any sugar beets or sugarcane grown by other producers and processed by him at rates not less than those that may be determined by the Secretary to be fair and reasonable after investigation and due notice and opportunity for public hearing.

Computation of
amount for payment.

SEC. 302. (a) The amount of sugar or liquid sugar with respect to which payment may be made shall be the amount of sugar or liquid sugar commercially recoverable, as determined by the Secretary, from the sugar beets or sugarcane grown on the farm and marketed (or processed by the producer) not in excess of the proportionate share for the farm, as determined by the Secretary, of the quantity of sugar beets or sugarcane for the extraction of sugar or liquid sugar required to be processed to enable the producing area in which the crop of sugar beets or sugarcane is grown to meet the quota (and provide a normal carry-over inventory) estimated by the Secretary for such area for the calendar year during which the larger part of the sugar or liquid sugar from such crop normally would be marketed.

Determination of
proportionate shares.

(b) In determining the proportionate shares with respect to a farm, the Secretary may take into consideration the past production on the farm of sugar beets and sugarcane marketed (or processed) for the extraction of sugar or liquid sugar and the ability to produce such sugar beets or sugarcane, and the Secretary shall, insofar as practicable, protect the interests of new producers and small producers and the interests of producers who are cash tenants, share tenants, adherent planters, or share croppers.

Effectivity of pay-
ments.

(c) Payments shall be effective with respect to sugar or liquid sugar commercially recoverable from sugar beets and sugarcane grown on a farm commencing with the crop year 1948.

Abandonment of
planted acreage, etc.

SEC. 303. In addition to the amount of sugar or liquid sugar with respect to which payments are authorized under subsection (a) of section 302, the Secretary is also authorized to make payments, on the

conditions provided in section 301, with respect to bona fide abandonment of planted acreage and crop deficiencies of harvested acreage, resulting from drought, flood, storm, freeze, disease, or insects, which cause such damage to all or a substantial part of the crop of sugar beets or sugarcane in the same factory district (as established by the Secretary), county, parish, municipality, or local producing area, as determined in accordance with regulations issued by the Secretary, on the following quantities of sugar or liquid sugar: (1) With respect to such bona fide abandonment of each planted acre of sugar beets or sugarcane, one-third of the normal yield of commercially recoverable sugar or liquid sugar per acre for the farm, as determined by the Secretary; and (2) with respect to such crop deficiencies of harvested acreage of sugar beets or sugarcane, the excess of 80 per centum of the normal yield of commercially recoverable sugar or liquid sugar for such acreage for the farm, as determined by the Secretary, over the actual yield.

SEC. 304. (a) The amount of the base rate of payment shall be 80 cents per hundred pounds of sugar or liquid sugar, raw value.

(b) All payments shall be calculated with respect to a farm which, for the purposes of this Act, shall be a farming unit as determined in accordance with regulations issued by the Secretary, and in making such determinations, the Secretary shall take into consideration the use of common work stock, equipment, labor, management, and other pertinent factors.

(c) The total payment with respect to a farm shall be the product of the base rate specified in subsection (a) of this section multiplied by the amount of sugar and liquid sugar, raw value, with respect to which payment is to be made, except that reduction shall be made from such total payment in accordance with the following scale of reductions:

That portion of the quantity of sugar and liquid sugar which is included within the following intervals of short tons, raw value

	Reduction in the base rate of payment per hundredweight of such portion
350 to 700.....	\$0.05
700 to 1,000.....	.10
1,000 to 1,500.....	.20
1,500 to 3,000.....	.25
3,000 to 6,000.....	.275
6,000 to 12,000.....	.30
12,000 to 30,000.....	.325
More than 30,000.....	.50

(d) Application for payment shall be made by, and payments shall be made to, the producer or, in the event of his death, disappearance, or incompetency, his legal representative, or heirs: *Provided, however,* That all producers on the farm shall signify in the application for payment the percentage of the total payment with respect to the farm to be made to each producer: *And provided further,* That payments may be made, (1) in the event of the death, disappearance, or incompetency of a producer, to such beneficiary as the producer may designate in the application for payment; (2) to one producer of a group of two or more producers, provided all producers on the farm designate such producer in the application for payment as sole recipient for their benefit of the payment with respect to the farm; or (3) to a person who is not a producer, provided such person controls the land included within the farm with respect to which the application for payment is made and is designated by the sole producer (or all

Amount of base rate.

Payments with respect to farm.

Scale of reductions.

Application by and payment to producer.

Payment in case of death, etc.

One producer of a group.

Nonproducer.

producers) on the farm, as sole recipient for his or their benefit, of the payment with respect to the farm.

Use of local committees, etc.
Ante, pp. 923, 929.

SEC. 305. In carrying out the provisions of titles II and III of this Act, the Secretary is authorized to utilize local committees of sugar beet or sugarcane producers, State and county agricultural conservation committees, or the Agricultural Extension Service and other agencies, and the Secretary may prescribe that all or a part of the expenses of such committees may be deducted from the payments herein authorized.

Review of facts by Secretary.

SEC. 306. The facts constituting the basis for any payment, or the amount thereof authorized to be made under this title, officially determined in conformity with rules or regulations prescribed by the Secretary, shall be reviewable only by the Secretary, and his determinations with respect thereto shall be final and conclusive.

Applicability.

SEC. 307. This title shall apply to the continental United States, the Territory of Hawaii, Puerto Rico, and the Virgin Islands.

TITLE IV—GENERAL PROVISIONS

Expenditures.

SEC. 401. For the purposes of this Act, the Secretary may make such expenditures as he deems necessary to carry out the provisions of this Act, including personal services and rents in the District of Columbia and elsewhere.

Appropriations authorized.

Ante, p. 929.

SEC. 402. (a) There is hereby authorized to be appropriated for each fiscal year for the purposes and administration of this Act the funds necessary to make the payments provided for in title III of this Act and such other amounts as the Congress determines to be necessary for such fiscal year to carry out the other provisions of the Act.

Availability of funds.

(b) All funds available for carrying out this Act shall be available for allotment to the bureaus and offices of the Department of Agriculture and for transfer to such other agencies of the Federal Government as the Secretary may request to cooperate or assist in carrying out the provisions of this Act.

50 Stat. 903.
7 U. S. C. §§ 1100-1183.
Ante, p. 543.

(c) The funds made available for the purpose of enabling the Secretary to carry into effect the provisions of the Sugar Act of 1937, as amended, during the fiscal year 1948 are also hereby made available to the Secretary for purposes of administration of the provisions of this Act during the fiscal year 1948.

Orders or regulations.

Penalty.

SEC. 403. (a) The Secretary is authorized to make such orders or regulations, which shall have the force and effect of law, as may be necessary to carry out the powers vested in him by this Act. Any person knowingly violating any order or regulation of the Secretary issued pursuant to this Act shall, upon conviction, be punished by a fine of not more than \$100 for each such violation.

Publication of determination in Federal Register.
Ante, pp. 923, 929.

(b) Each determination issued by the Secretary in connection with quotas and deficits under title II or payments under title III of this Act shall be promptly published in the Federal Register and shall be accompanied by a statement of the bases and considerations upon which such determination was made.

Jurisdiction, etc.

SEC. 404. The several district courts of the United States are hereby vested with jurisdiction specifically to enforce, and to prevent and restrain any person from violating, the provisions of this Act or of any order or regulation made or issued pursuant to this Act. If and when the Secretary shall so request, it shall be the duty of the several district attorneys of the United States, in their respective districts, to institute proceedings to enforce the remedies and to collect the penalties and forfeitures provided for in this Act. The remedies provided for in this Act shall be in addition to, and not exclusive of, any of the remedies or penalties existing at law or in equity.

SEC. 405. Any person who knowingly violates, or attempts to violate, or who knowingly participates or aids in the violation of, any of the provisions of section 209, or any person who brings or imports into the continental United States direct-consumption sugar after the quantities specified in section 207 have been filled, shall forfeit to the United States the sum equal to three times the market value, at the time of the commission of any such act, (a) of that quantity of sugar or liquid sugar by which any quota, proration, or allotment is exceeded, or (b) of that quantity brought or imported into the continental United States after the quantities specified in section 207 have been filled, which forfeiture shall be recoverable in a civil suit brought in the name of the United States.

Violation of designated provisions.

Ante, p. 928.

Ante, p. 927.

SEC. 406. All persons engaged in the manufacturing, marketing, or transportation or industrial use of sugar or liquid sugar, and having information which the Secretary deems necessary to enable him to administer the provisions of this Act, shall, upon the request of the Secretary, furnish him with such information. Any person willfully failing or refusing to furnish such information or furnishing willfully any false information, shall upon conviction be subject to a penalty of not more than \$1,000 for each such violation.

Furnishing of information.

Penalty.

SEC. 407. No person shall, while acting in any official capacity in the administration of this Act, invest or speculate in sugar or liquid sugar, contracts relating thereto, or the stock or membership interests of any association or corporation engaged in the production or manufacturing of sugar or liquid sugar. Any person violating this section shall upon conviction thereof be fined not more than \$10,000 or imprisoned not more than two years, or both.

Speculation, etc., by person acting in official capacity.

SEC. 408. Whenever pursuant to the provisions of this Act the President finds and proclaims that a national economic or other emergency exists with respect to sugar or liquid sugar, he shall by proclamation suspend the operation, except as provided in section 207 of this Act, of all the provisions of title II above, and, thereafter, the operation of such title shall continue in suspense until the President finds and proclaims that the facts which occasioned such suspension no longer exist. The Secretary shall make such investigations and reports thereon to the President as may be necessary to aid him in carrying out the provisions of this section.

Suspension of title II.

Ante, p. 927.

Ante, p. 923.

SEC. 409. Whenever the Secretary determines that such action is necessary to effectuate the purposes of this Act, he is authorized, if first requested by persons constituting or representing a substantial proportion of the persons affected in any one of the five domestic sugar-producing areas, to make for such area surveys and investigations to the extent he deems necessary, including the holding of public hearings, and to make recommendations with respect to (a) the terms and conditions of contracts between the producers and processors of sugar beets and sugarcane in such area and (b) the terms and conditions of contracts between laborers and producers of sugar beets and sugarcane in such area. In carrying out the provisions of this section, information shall not be made public with respect to the individual operations of any processor, producer, or laborer.

Surveys and investigations.

SEC. 410. The Secretary is authorized to conduct surveys, investigations, and research relating to the conditions and factors affecting the methods of accomplishing most effectively the purposes of this Act and for the benefit of agriculture generally in any area. Notwithstanding any provision of existing law, the Secretary is authorized to make public such information as he deems necessary to carry out the provisions of this Act.

SEC. 411. The powers vested in the Secretary under this Act shall terminate on December 31, 1952, except that the Secretary shall have

Termination of powers.

Ante, p. 929.

Effective date.

50 Stat. 916.
7 U. S. C. § 1183.*Ante*, p. 929.

power to make payments under title III under programs applicable to the crop year 1952 and previous crop years.

SEC. 412. The provisions of this Act, except where an earlier effective date is provided for herein, shall become effective January 1, 1948. As provided in section 513 of the Sugar Act of 1937, the powers vested in the Secretary under that Act shall terminate on December 31, 1947, except that the Secretary shall have power to make payments under title III of that Act under programs thereunder applicable to the crop year 1947 and previous crop years.

TITLE V—AMENDMENTS TO THE INTERNAL REVENUE CODE

53 Stat. 428.
(b). 26 U. S. C. § 3507

SEC. 501. (a) Subsection (b) of section 3507 of the Internal Revenue Code (relating to the definition of "manufactured sugar") is amended by inserting in the parenthesis after the word "added" therein the following: "or developed in the product".

53 Stat. 429.
26 U. S. C. § 3508.

(b) Section 3508 of the Internal Revenue Code (relating to termination of taxes) is amended to read as follows:

"SEC. 3508. TERMINATION OF TAXES.

"No tax shall be imposed under this chapter on the manufacture, use, or importation of sugar or articles composed in chief value of sugar after June 30, 1953. Notwithstanding the provisions of section 3490 or 3500, no tax shall be imposed under this chapter with respect to unsold sugar held by a manufacturer on June 30, 1953, or with respect to sugar or articles composed in chief value of sugar held in customs custody or control on such date.

53 Stat. 426, 428.
26 U. S. C. §§ 3490,
3500.*Supra*.

With respect to any sugar or articles composed in chief value of sugar upon which tax imposed under section 3500 has been paid and which, on June 30, 1953, are held by the importer and intended for sale or other disposition, there shall be refunded (without interest) to such importer, subject to such regulations as may be prescribed by the Commissioner of Customs with the approval of the Secretary, an amount equal to the tax paid with respect to such sugar or articles composed in chief value of sugar."

Effective date.

(c) The amendments to the Internal Revenue Code provided for in this section shall become effective upon the first day of the second month following the date of the enactment of this Act.

Approved August 8, 1947.

[CHAPTER 520]

AN ACT

December 17, 1947
[S. 1774]
[Public Law 389]

To promote world peace and the general welfare, national interest, and foreign policy of the United States by providing aid to certain foreign countries.

Foreign Aid Act of
1947.

Purpose.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Foreign Aid Act of 1947".

Presidential powers.

SEC. 2. It is the purpose of this Act to provide immediate aid urgently needed by the peoples of Austria, China, France, and Italy, hereinafter referred to as the recipient countries, to alleviate conditions of hunger and cold and prevent serious economic retrogression.

SEC. 3. The President, acting through such existing departments, agencies, or independent establishments of the Government as he shall direct, may, by allocation of funds herein authorized to any such existing departments, agencies, or independent establishments, or by establishing in this country credits subject to the control of the