

Public Law 87-28

May 4, 1961
[S. 1027]

AN ACT

To amend title I of the Agricultural Trade Development and Assistance Act of 1954.

Agricultural
Trade Development
and Assistance
Act of 1954,
amendment.

73 Stat. 606.
7 USC 1703.

68 Stat. 456.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That section 103(b) of the Agricultural Trade Development and Assistance Act of 1954, as amended, is amended by deleting "any calendar year during the period beginning January 1, 1960, and ending December 31, 1961," and substituting "the calendar year 1960," and by adding at the end thereof the following: "Agreements shall not be entered into under this title in the calendar year 1961 which will call for appropriations to reimburse the Commodity Credit Corporation, pursuant to subsection (a) of this section, in amounts in excess of \$3,500,000,000, plus any amount by which agreements entered into in the preceding calendar year have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such preceding year by this Act as in effect during such preceding years."

Approved May 4, 1961.

Public Law 87-29

May 4, 1961
[H. R. 5189]

AN ACT

To amend the Internal Revenue Code of 1954 to exempt from tax income derived by a foreign central bank of issue from obligations of the United States, and for other purposes.

Tax exemption.
Foreign cen-
tral bank issues.

26 USC 891-894.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) subpart C of part II of subchapter N of chapter 1 of the Internal Revenue Code of 1954 (relating to nonresident aliens and foreign corporations) is amended by adding at the end thereof the following new section:

"SEC. 895. INCOME DERIVED BY A FOREIGN CENTRAL BANK OF ISSUE FROM OBLIGATIONS OF THE UNITED STATES.

"Income derived by a foreign central bank of issue from obligations of the United States owned by such foreign central bank of issue shall not be included in gross income and shall be exempt from taxation under this subtitle unless such obligations are held for, or used in connection with, the conduct of commercial banking functions or other commercial activities."

(b) The table of sections for such subpart C is amended by adding at the end thereof the following:

"Sec. 895. Income derived by a foreign central bank of issue from obligations of the United States."

Effective date.

(c) The amendments made by subsections (a) and (b) shall be effective with respect to income received in taxable years beginning after December 31, 1960.

Small business
corporations,
election.

26 USC 1372.

SEC. 2. Section 1372 of the Internal Revenue Code of 1954 (relating to elections by small business corporations) is amended by adding at the end thereof the following new subsection:

"(g) CONSENT TO ELECTION BY CERTAIN SHAREHOLDERS OF STOCK HELD AS COMMUNITY PROPERTY.—If a husband and wife owned stock which was community property (or the income from which was community income) under the applicable community property law of a

State, and if either spouse filed a timely consent to an election under subsection (a) for a taxable year beginning before January 1, 1961, the time for filing the consent of the other spouse to such election shall not expire prior to May 15, 1961."

Approved May 4, 1961.

Public Law 87-30

AN ACT

To amend the Fair Labor Standards Act of 1938, as amended, to provide coverage for employees of large enterprises engaged in retail trade or service and of other employers engaged in commerce or in the production of goods for commerce, to increase the minimum wage under the Act to \$1.25 an hour, and for other purposes.

May 5, 1961
[H. R. 3935]

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 "Fair Labor Standards Amendments of 1961".

Fair Labor Standards
Amendments
of 1961.

DEFINITIONS

SEC. 2. (a) Paragraph (m) of section 3 of the Fair Labor Standards Act of 1938, as amended, defining the term "wage", is amended by inserting before the period at the end thereof a colon and the following: "Provided, That the cost of board, lodging, or other facilities shall not be included as a part of the wage paid to any employee to the extent it is excluded therefrom under the terms of a bona fide collective-bargaining agreement applicable to the particular employee: *Provided further,* That the Secretary is authorized to determine the fair value of such board, lodging, or other facilities for defined classes of employees and in defined areas, based on average cost to the employer or to groups of employers similarly situated, or average value to groups of employees, or other appropriate measures of fair value. Such evaluations, where applicable and pertinent, shall be used in lieu of actual measure of cost in determining the wage paid to any employee".

52 Stat. 1061.
29 USC 203.

(b) Paragraph (n) of section 3 of such Act is amended by inserting immediately before "shall not" the following " , except as used in subsection (s) (1),".

63 Stat. 911.

(c) Section 3 of such Act is further amended by adding at the end thereof the following new paragraphs:

"(p) 'American vessel' includes any vessel which is documented or numbered under the laws of the United States.

"(q) 'Secretary' means the Secretary of Labor.

"(r) 'Enterprise' means the related activities performed (either through unified operation or common control) by any person or persons for a common business purpose, and includes all such activities whether performed in one or more establishments or by one or more corporate or other organizational units including departments of an establishment operated through leasing arrangements, but shall not include the related activities performed for such enterprise by an independent contractor: *Provided,* That, within the meaning of this subsection, a retail or service establishment which is under independent ownership shall not be deemed to be so operated or controlled as to be other than a separate and distinct enterprise by reason of any arrangement, which includes, but is not necessarily limited to, an agreement, (1) that it will sell, or sell only, certain goods specified by a particular manufacturer, distributor, or advertiser, or (2) that it will join with other such establishments in the same industry for the purpose of collective purchasing, or (3) that it will have the exclusive right to