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# Executive Order

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Tuesday  
September 20, 1994

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## Part III

### The President

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Executive Order 12928—Promoting  
Procurement With Small Businesses  
Owned and Controlled by Socially and  
Economically Disadvantaged Individuals,  
Historically Black Colleges and  
Universities, and Minority Institutions

Proclamation 6720—Citizenship Day and  
Constitution Week, 1994

Proclamation 6721—National Farm Safety  
and Health Week, 1994

Exhibit 1.0

## Presidential Documents

Proclamation 6720 of September 16, 1994

### Citizenship Day and Constitution Week, 1994

By the President of the United States of America

#### A Proclamation

The Constitution of the United States of America is as forceful and dynamic today as it was on September 17, 1787, the day it was signed by our Nation's Founders. This hallowed document has endured, and, indeed, has grown stronger over the 207 years since its adoption. Today, more than ever, the Constitution stands as a beacon for all who are dedicated to the principles of government by and for the people.

The Constitution provides a framework of both constancy and flexibility in a Nation that is forever striving to change for the better. But the Constitution is more than simply the blueprint of our system of government, more too than the guardian of our most sacred rights. It is a challenge to every American. For it is only through the daily actions of each one of us that the ideals it promises are fulfilled.

The Founders of our Nation pledged their lives, their fortunes, and their honor. They did not take their liberty or their new citizenship as Americans for granted. Neither did the countless courageous men and women who have sacrificed their lives to defend that Constitution since then. Nor have the millions of immigrants throughout our history who have braved daunting obstacles to reach the welcoming freedom of our shores. Following in our ancestors' great tradition of responsibility, Americans retain a solemn duty and a profound obligation to ensure that the world's boldest experiment in self-government continues to thrive and prosper.

Each of us has the right and the responsibility to be educated and informed, to vote for those who represent us, and to participate at every level of government. This week, let us give thanks for the freedoms we cherish and enjoy. Let us pause in our busy lives to learn more about and to appreciate our roles as American citizens. While our Constitution may set forth rights and liberties, only our citizens can maintain and guarantee them. Ours has never been an easy task, but it is one in which we will surely continue to succeed.

In recognition of the paramount importance of the Constitution to our Nation, and of all who, by birth or by naturalization, have attained the status of United States citizenship, the Congress by joint resolution on February 29, 1952 (36 U.S.C. section 153), designated September 17 as Citizenship Day, and by joint resolution of August 2, 1956 (36 U.S.C. section 159), requested the President to proclaim the week beginning September 17 and ending September 23 of each year as Constitution Week.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, do hereby proclaim September 17, 1994, as "Citizenship Day," and the week beginning September 17 through September 23, 1994, as "Constitution Week." I call upon Federal, State, and local officials, as well as leaders of civic, educational, and religious organizations, to conduct meaningful ceremonies and programs in their schools, churches, and other community gathering places to foster a better understanding of the Constitution and of the rights and duties of citizenship.

Exhibit 1.1

I further call upon the officials of the Government to display the flag of the United States on all Government buildings on September 17, 1994, in honor of Citizenship Day.

IN WITNESS WHEREOF, I have hereunto set my hand this sixteenth day of September, in the year of our Lord nineteen hundred and ninety-four, and of the Independence of the United States of America the two hundred and nineteenth.

*William Clinton*

[FR Doc. 94-23462  
Filed 9-19-94; 11:09 am]  
Billing code 3195-01-P

*Exhibit 1.2*

# Federal Register

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Tuesday  
September 21, 1999

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## Part II

### The President

Proclamation 7222—Citizenship Day and  
Constitution Week, 1999

Proclamation 7223—Ovarian Cancer  
Awareness Week, 1999

Exhibit 2.0

# Presidential Documents

Title 3—

Proclamation 7222 of September 16, 1999

The President

Citizenship Day and Constitution Week, 1999

By the President of the United States of America

## A Proclamation

The Constitution is perhaps our Nation's most cherished document, the compass that has helped us chart America's course toward freedom, human dignity, and democracy for more than 200 years. Its text, born of the genius and idealism of our Founders and hammered out through hard effort and compromise by the delegates to the Constitutional Convention, established a system of government capable of responding to the pressures of social and political change. It created a sacred covenant that continues to bind all our citizens by a set of principles based on the ideals of equality, inclusion, and independence and by a delicate balance of powers, rights, and responsibilities among citizens and their State and Federal Governments. Today, sustained by the efforts and sacrifices of generations of Americans, the U.S. Constitution remains as strong and vibrant a charter of freedom as it was at the time of its signing 212 years ago.

The 20th century has witnessed a great wave of migration of men and women to our Nation from all parts of the globe, attracted by the freedom, justice, and rule of law guaranteed by our Constitution. As they assume the responsibilities of American citizenship, they infuse our political process with fresh perspectives and enthusiasm and prove to the world that a diverse people can live in peace and progress. Today we are a Nation with new hopes, new dreams, and new people, but we are united by a devotion to the same democratic ideals that have guided us for over 200 years.

As we reflect upon America's past, we recognize that our country is still in the act of becoming the "more perfect union" envisioned by our Founders. Every generation of Americans has struggled to live up to our Nation's promise, working to overcome forces of fear or ignorance or prejudice that would seek to deny the rights of others because of their gender, race, religion, sexual orientation, or disability. The 21st century may bring new challenges to the rights and liberties of American citizens, but we can be confident that the Constitution will still light a clear and shining path of freedom and justice into the future.

During Citizenship Day and Constitution Week, let us recognize the great efforts not only of our leaders, but also of ordinary Americans who labor daily to uphold and strengthen the ideals embodied in our Constitution. Whether citizens by birth or choice, we share the blessings guaranteed to us by the Constitution and the responsibility of ensuring that those blessings are extended to all our people equally.

In commemoration of the signing of the Constitution and in recognition of the importance of active, responsible citizenship in preserving the Constitution's blessings for our Nation, the Congress, by joint resolution of February 29, 1952 (36 U.S.C. 153), designated September 17 as "Citizenship Day," and by joint resolution of August 2, 1956 (U.S.C. 159), requested that the President proclaim the week beginning September 17 and ending September 23 of each year as "Constitution Week."

Exhibit 2.1

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, do hereby proclaim September 17, 1999, as Citizenship Day and September 17 through September 23, 1999, as Constitution Week. I call upon Federal, State, and local officials, as well as leaders of civic, educational, and religious organizations, to conduct meaningful ceremonies and programs in our schools, houses of worship, and other community centers to foster a greater understanding and appreciation of the Constitution and the rights and duties of citizenship. I also call on all citizens to rededicate themselves to the principles of the Constitution.

IN WITNESS WHEREOF, I have hereunto set my hand this sixteenth day of September, in the year of our Lord nineteen hundred and ninety-nine, and of the Independence of the United States of America the two hundred and twenty-fourth.

*William J. Clinton*

[FR Doc. 99-24781  
Filed 9-20-99; 8:45 am]  
Billing code 3195-01-P

*Exhibit 2.2*



# FEDERAL REGISTER

NORTH READ RM.

VOLUME 32 • NUMBER 187

Wednesday, September 27, 1967 • Washington, D.C.

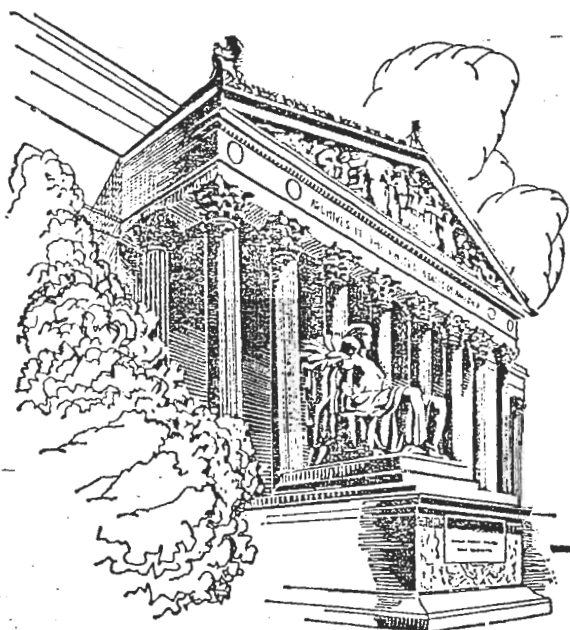
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(Part II begins on page 13559)

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Federal Maritime Commission  
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Federal Railroad Administration  
Fish and Wildlife Service  
Food and Drug Administration  
Foreign Claims Settlement Commission  
Interior Department  
Interstate Commerce Commission  
Labor Department  
Land Management Bureau  
National Labor Relations Board  
Securities and Exchange Commission  
Small Business Administration  
Tariff Commission

Detailed list of Contents appears inside.





# Presidential Documents

## Title 3—THE PRESIDENT

Proclamation 3805

VETERANS DAY, 1967

By the President of the United States of America

### A Proclamation

We Americans hold freedom as our birthright. We cherish it as the basic condition of our national life.

But we are deeply mindful of its cost.

Our freedom was won in the agony of conflict. Two centuries later, we enjoy its blessings only because men have been willing to risk their lives to preserve it.

Again today, in a complex and bitter war, America's sons must fight in freedom's defense. None before them have fought more bravely, or with greater devotion to America's cause, than those who serve us now in Vietnam.

We can never repay in full the debt we owe to the veterans of this Nation's wars.

Yet we can show our appreciation of their service and sacrifice. Through the G.I. Bill of Rights, we endeavor to ease the serviceman's return to civilian life. As a result of the Veterans' Act of 1967, men in uniform today can receive benefits comparable to those granted their brothers-in-arms of past conflicts.

For almost three decades, it has been a proud American tradition to observe each year a special day of gratitude to all of America's veterans.

To this end the Congress has designated the eleventh of November as a legal holiday to be known as Veterans Day, and has dedicated it to the cause of world peace (Act of May 13, 1938, 52 Stat. 351, as amended (5 U.S.C. 6103)).

NOW, THEREFORE, I, LYNDON B. JOHNSON, President of the United States of America, urge the people of this Nation to join in commemorating Saturday, November 11, 1967, as Veterans Day with suitable observances.

I direct the appropriate officials of the Government to arrange for the display of the flag of the United States on all public buildings on that day; and I request the officials of Federal, State, and local governments, and civic and patriotic organizations to give their enthusiastic leadership and support to appropriate public ceremonies throughout the Nation.

I urge all citizens, and especially students and young people, to take part in these ceremonies. Let us demonstrate to all the world our devotion to the principles of freedom for which so many have served in the past, and pledge our full support of those who today carry on the battle to insure that freedom shall survive.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fifth day of September, in the year of our Lord nineteen hundred and sixty-seven, and of the Independence of the United States of America the one hundred and ninety-second.



[F.R. Doc. 67-11406; Filed, Sept. 25, 1967; 3:08 p.m.]

FEDERAL REGISTER, VOL. 32, NO. 187—WEDNESDAY, SEPTEMBER 27, 1967

Exhibit 3.1

# FEDERAL REGISTER

VOLUME 34 • NUMBER 93

Thursday, May 15, 1969 • Washington, D.C.

Pages 7681-7758

**Agencies in this issue—**

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Alien Property Office  
Atomic Energy Commission  
Civil Aeronautics Board  
Commodity Credit Corporation  
Consumer and Marketing Service  
Customs Bureau  
Education Office  
Federal Aviation Administration  
Federal Communications Commission  
Federal Maritime Commission  
Federal Power Commission  
Federal Trade Commission  
Fish and Wildlife Service  
Food and Drug Administration  
General Services Administration  
Internal Revenue Service  
Interstate Commerce Commission  
Land Management Bureau  
Monetary Offices  
Securities and Exchange Commission  
Small Business Administration

Detailed list of Contents appears inside.

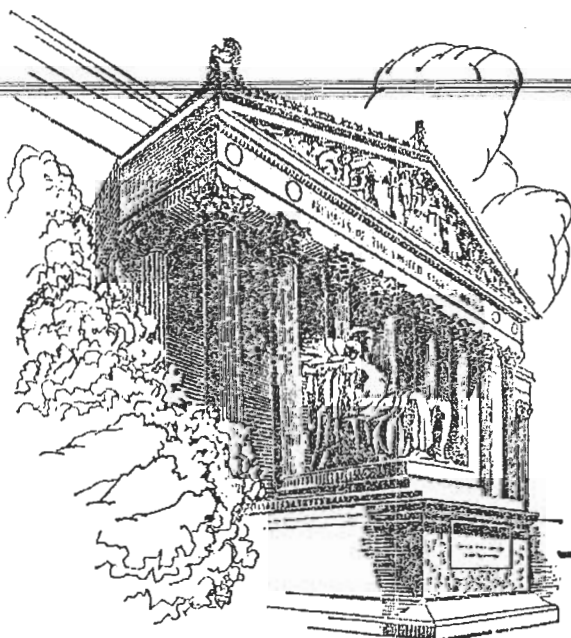


Exhibit 4.0

# Presidential Documents

## Title 3—THE PRESIDENT

### Proclamation 3911

CITIZENSHIP DAY AND CONSTITUTION WEEK, 1969

By the President of the United States of America

#### A Proclamation

The Constitution of the United States is often viewed as a revered document drawn in a far-off time by a group of exceedingly wise men we call the Founding Fathers. It is much more than that. The Constitution is a living set of principles, created during a hot Philadelphia summer in 1787 by men who were often passionate in their convictions and always jealous of the basic rights which had been secured by the American Revolution. This Constitution is not a museum-piece, but something as strong and as proud and as passionately alive today as were the men who created it almost 200 years ago.

As the foundation of our national life, the Constitution demands more than reverence. It demands the kind of active concern we show to anything we deeply care for. It demands our attention, our understanding of its character and of its fundamental place in our lives. This view of the Constitution will not allow us to pay honor to the idea unless we pay attention to the reality. It calls upon a citizen to not only be able to demand his rights, but also to know what they are.

United States citizenship, then, is also demanding. But the demands are more than matched by the benefits. Each citizen can help himself, his fellow citizens, and his nation if he takes some time out of his life to read and talk and think about the Constitution.

By a joint resolution of February 29, 1952 (66 Stat. 9), the Congress set aside the seventeenth day of September of each year as Citizenship Day, in commemoration of the signing of the Constitution on September 17, 1787, and in recognition of all who attained citizenship during the year. And by a joint resolution of August 2, 1956, (70 Stat. 932), the Congress requested the President to designate the period beginning September 17 and ending September 23 of each year as Constitution Week.

NOW, THEREFORE, I, RICHARD NIXON, President of the United States of America, direct the appropriate Government officials to display the flag of the United States on all government buildings on Citizenship Day, September 17, 1969. I urge Federal, State, and local officials, as well as all religious, civic, educational, and other interested organizations to make arrangements for impressive, meaningful pageants and observations on that day to inspire all our citizens to rededicate themselves to the service of their country and to the support and defense of the Constitution.

I also designate the period beginning September 17 and ending September 23, 1969, as Constitution Week; and I urge the people of the United States to observe that week with appropriate ceremonies and activities in their schools and churches, and in other suitable places, to the end that our citizens, whether naturalized or natural-born, may have a better understanding of the Constitution and of the rights and responsibilities of United States citizenship.

IN WITNESS WHEREOF, I have hereunto set my hand this 13th day of May, in the year of our Lord nineteen hundred and sixty-nine, and of the Independence of the United States of America the one hundred and ninety-third.



[F.R. Doc. 00-5856; Filed, May 13, 1969; 5:05 p.m.]

FEDERAL REGISTER, VOL. 34, NO. 93—THURSDAY, MAY 15, 1969

Exhibit 4.1

# FEDERAL REGISTER

VOLUME 27

NUMBER 69

Washington, Tuesday, April 10, 1962

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**Proclamation 3464**

**CITIZENSHIP DAY AND CONSTITUTION WEEK, 1962**

**By the President of the United States of America  
A Proclamation**

WHEREAS September 17, 1962, marks the one hundred and seventy-fifth anniversary of the signing of the Constitution of the United States on September 17, 1787; and

WHEREAS the strength and freedom of our Nation and the fundamental and inalienable rights of our citizens are derived from the Constitution; and

WHEREAS it is imperative in this time of world uncertainty and unrest that each citizen, naturalized or native-born, be conversant with the acts and events that led to the formulation and adoption of the Constitution in order that he may fully appreciate the meaning and significance of that document and our constitutional form of government; and

WHEREAS it is fitting and proper on the one hundred and seventy-fifth anniversary of the signing of the Constitution that each citizen renew his pledge to serve his country and to stand ever ready to preserve, protect, and defend the Constitution; and

WHEREAS by a joint resolution approved February 29, 1952 (66 Stat. 9), the Congress designated the seventeenth day of September of each year as Citizenship Day in commemoration of the signing of the Constitution on September 17, 1787, and in recognition of those citizens who have come of age and those who have been naturalized during the year; and

WHEREAS by a joint resolution approved August 2, 1956 (70 Stat. 932), the Congress requested the President to designate the week beginning September 17 of each year as Constitution Week—a time for the study and observance of the acts and events which resulted in the formation of the Constitution; and

WHEREAS those resolutions of the Congress authorize the President to issue annually a proclamation calling for the observance of Citizenship Day and of Constitution Week:

NOW, THEREFORE, I, JOHN F. KENNEDY, President of the United States of America, call upon the appropriate officials of the Government to display the flag of the United States on all Government buildings on Citizenship Day, September 17, 1962; and I urge Federal, State, and local officials, as well as all religious, civic, educational, and other organizations, to hold appropriate ceremonies on that day to inspire all our citizens to rededicate themselves to the Faith of our Founding Fathers and to the ideals upon which this Nation was established and built.

I also designate the period beginning September 17 and ending September 23, 1962, as Constitution Week; and I urge the people of the United States to observe that week with appropriate ceremonies and activities in their schools and churches and in other suitable places to the end that our citizens may have a better understanding of the Constitution and of the privileges and obligations of United States citizenship.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this Fifth day of April in the year of our Lord nineteen hundred and sixty-two, and of [SEAL] the Independence of the United States of America the one hundred and eighty-sixth.

JOHN F. KENNEDY

By the President:

DEAN RUSK,  
Secretary of State.

[F.R. Doc. 62-3549; Filed, Apr. 9, 1962; 10:52 a.m.]

Exhibit 5.1

# BLACK'S LAW DICTIONARY®

Definitions of the Terms and Phrases of  
American and English Jurisprudence,  
Ancient and Modern

By

HENRY CAMPBELL BLACK, M. A.

**SIXTH EDITION**

BY

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ST. PAUL, MINN.  
WEST PUBLISHING CO.  
1990

*Exhibit 5.2*

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constitute, or ordain.

"*Constatting instruments*" of a corporation are its charter, organic law, or the grant of powers to it.

**Constituency.** The inhabitants of an electoral district.

**Constituent.** He who gives authority to another to act for him. The term is used as a correlative to "attorney," to denote one who constitutes another his agent or invests the other with authority to act for him.

It is also used in the language of politics as a correlative to "representative," the constituents of a legislator being those whom he represents and whose interests he is to care for in public affairs; usually the electors of his district.

**Constituent elements.** The elements of a crime, tort or other type of action. Those matters which must be proved to sustain a cause of action because they constitute the action or crime.

**Constituere** /kɒnstəˈtʃuːəri/. Lat. To appoint, constitute, establish, ordain, or undertake. Used principally in ancient powers of attorney, and now supplanted by the English word "constitute."

**Constituimus** /kɒnstəˈtʃuːwɪmʊs/. A Latin term, signifying *we constitute or appoint*.

**Constituted authorities.** Officers properly appointed under a constitution for the government of the people.

**Constitutio** /kɒnstəˈtʃuː(ɪ)wʃ(i)ow/. In the civil law, an imperial ordinance, decree, or constitution, distinguished from *Lex*, *Senatus-Consultum*, and other kinds of law and having its effect from the sole will of the emperor. An establishment or settlement. Used of controversies settled by the parties without a trial. A sum paid according to agreement.

In old English law, an ordinance or statute. A provision of a statute.

**Constitutio dotis** /kɒnstəˈtʃuː(ɪ)wʃ(i)ow dɔːtɪs/. Establishment of dower.

**Constitution.** The organic and fundamental law of a nation or state, which may be written or unwritten, establishing the character and conception of its government, laying the basic principles to which its internal life is to be conformed, organizing the government, and regulating, distributing, and limiting the functions of its different departments, and prescribing the extent and ~~manner of the exercise of sovereign powers.~~ A charter of government deriving its whole authority from the governed. The written instrument agreed upon by the people of the Union (e.g. United States Constitution) or of a particular state, as the absolute rule of action and decision for all departments (i.e. branches) and officers of the government in respect to all the points covered by it, which must control until it shall be changed by the authority which established it (i.e. by amendment), and in opposition to which any act or ordinance of any such department or officer is null and void. The full text of the U.S. Constitution appears at the end of this dictionary.

## CONSTITUTIONAL LIBERTY OR FREEDOM

In a more general sense, any fundamental or important law or edict; as the Novel Constitutions of Justinian; the Constitutions of Clarendon.

**Constitutional.** Consistent with the constitution; authorized by the constitution; not conflicting with any provision of the constitution or fundamental law of the state. Dependent upon a constitution, or secured or regulated by a constitution; as "constitutional monarchy," "constitutional rights."

**Constitutional alcalde.** A person of official status under Mexican law corresponding in many respects in dignity and authority to a justice of the peace under the American system of government. *Tietzel v. Southwestern Const. Co.*, 48 N.M. 567, 154 P.2d 238, 242.

**Constitutional convention.** A duly constituted assembly of delegates or representatives of the people of a state or nation for the purpose of framing, revising, or amending its constitution. Art. V of U.S. Const. provides that a Constitutional Convention may be called on application of the Legislatures of two-thirds of the states.

**Constitutional court.** A court named or described and expressly protected by Constitution, or recognized by name or definite description in Constitution (e.g. Supreme Court, as provided for in Art. III, Sec. 1 of U.S. Const.) in contrast to legislatively created courts. Commonly referred to as "Article III" courts in reference to U.S. Constitution.

**Constitutional freedom.** Generic term to describe the basic freedoms guaranteed by the Constitution such as the First Amendment freedoms of religion, speech, press and assembly together with protection under due process clause of the 14th Amendment. See also Bill of rights; Constitutional liberty or freedom.

**Constitutional homestead.** A special interest in real estate which protects it from attachment, created by constitution and available to the head of the family. *Ringer v. Bryne*, 183 Okl. 46, 80 P.2d 212, 214.

**Constitutional law.** (1) That branch of the public law of a nation or state which treats of the organization, powers and frame of government, the distribution of political and governmental authorities and functions, the fundamental principles which are to regulate the relations of government and citizen, and which prescribes generally the plan and method according to which the public affairs of the nation or state are to be administered. (2) That department of the science of law which treats of constitutions, their establishment, construction, and interpretation, and of the validity of legal enactments as tested by the criterion of conformity to the fundamental law. (3) A constitutional law is one which is consonant to, and agrees with, the constitution; one which is not in violation of any provision of the constitution of the particular state.

**Constitutional liberty or freedom.** Such freedom as is enjoyed by the citizens of a country or state under the protection of its constitution. The aggregate of those personal, civil, and political rights of the individual

Exhibit 5.3

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1990

*Exhibit 5.4*



which are guaranteed by the constitution and secured against invasion by the government or any of its agencies. See also Bill of rights; Constitutional freedom.

**Constitutional limitations.** Those provisions of a constitution which restrict the legislature in the types of laws which it may enact. See e.g. Art. I, Sec. 9, U.S. Constitution.

**Constitutional office.** A public position or office which is created by a constitution as distinguished from a statutory office which is created by an enactment of the legislature.

**Constitutional officer.** A governmental official whose office was created by a constitution; as contrasted with an officer whose position has been created by the legislature. One whose tenure and term of office are fixed and defined by the constitution, as distinguished from the incumbents of offices created by the legislature.

**Constitutional powers.** See Power.

**Constitutional protections.** Those basic protections guaranteed by the Constitution such as due process, equal protection and the fundamental protections of the First Amendment, such as those touching speech, press and religion. See Bill of rights; Constitutional freedom.

**Constitutional questions.** Those legal issues which require an interpretation of the Constitution for their resolution as distinguished from those of a statutory nature (e.g. Fourth Amend. search and seizure issues).

**Constitutional right.** A right guaranteed to the citizens by the United States Constitution and state constitutions and so guaranteed as to prevent legislative interference therewith. See also Constitutional freedom; Constitutional liberty or freedom; Constitutional protections.

**Constitutional tort.** See Tort.

**Constitutiones** /kónstat(y)úwshiyówniyz/. Laws promulgated, i.e., enacted, by the Roman Emperor. They were of various kinds, namely, the following: (1) *Edicta*; (2) *decreta*; (3) *rescripta*, called also "*epistolæ*." Sometimes they were general, and intended to form a precedent for other like cases; at other times they were special, particular, or individual (*personales*), and not intended to form a precedent. The emperor had this power of irresponsible enactment by virtue of a certain *lex regia*, whereby he was made the fountain of justice and of mercy.

**Constitutiones tempore posteriores potiores sunt his quæ ipsas præcesserunt** /kónstat(y)úwshiyówniyz témpariy póstiriyóriyз sánt háys kwiy ipsas præséséránt/. Later laws prevail over those which preceded them.

**Constitutions of Clarendon.** See Clarendon, constitutions of.

**Constitutions of the Forest.** See Charta (*Charta de foresta*).

**Constitutor** /kónstatyúwtər/. In the civil law, one who, by a simple agreement, becomes responsible for the payment of another's debt.

**Constitutum** /kónstat(y)úwtəm/. In the civil law, an agreement to pay a subsisting debt which exists without any stipulation, whether of the promisor or another party. It differs from a stipulation in that it must be for an existing debt.

A day appointed for any purpose. A form of appeal. **Constitutum esse eam domum unicuique nostrum debere existimari, ubi quisque sedes et tabulas haberet, suarumque rerum constitutionem fecisset** /kónst(y)úwtəm ésiy iyəm dówməm yúwnək(yuw)áykwiy nóstrəm dóbiriy əgzistəmərəy, yúwbay kwiskwiy siydiyz èt tábyələs hábirət, syúwérámkwiy rírəm kónstat(y)úwshiyównəm fásisat/. It is settled that that is to be considered the home of each one of us where he may have his habitation and account-books, and where he may have made an establishment of his business.

**Constraint.** Act of constraining, i.e. state of being restrained or restricted.

**Construct.** To build; erect; put together; make ready for use. To adjust and join materials, or parts of, so as to form a permanent whole. To put together constituent parts of something in their proper place and order. "Construct" is distinguishable from "maintain," which means to keep up, to keep from change, to preserve. See also Construction.

**Constructio legis non facit injuriam** /kónstráksh(iy)ow liyəs nón féysət injúriyam/. The construction of the law (a construction made by the law) works no injury. The law will make such a construction of an instrument as not to injure a party.

**Construction.** Interpretation of statute, regulation, court decision or other legal authority. The process, or the art, of determining the sense, real meaning, or proper explanation of obscure, complex or ambiguous terms or provisions in a statute, written instrument, or oral agreement, or the application of such subject to the case in question, by reasoning in the light derived from extraneous connected circumstances or laws or writings bearing upon the same or a connected matter, or by seeking and applying the probable aim and purpose of the provision. Drawing conclusions respecting subjects that lie beyond the direct expression of the term.

The process of bringing together and correlating a number of independent entities, so as to form a definite entity.

The creation of something new, as distinguished from the repair or improvement of something already existing. The act of fitting an object for use or occupation in the usual way, and for some distinct purpose. See Construct.

See also Broad interpretation; Comparative interpretation; Contemporaneous construction; Construe; Four corners rule; Interpretation; Last antecedent rule; Literal construction or interpretation; Statutory construction; Strict construction.

**Equitable construction.** A construction of a law, rule, or remedy which has regard more to the equities of the particular transaction or state of affairs involved than to the strict application of the rule or remedy; that is, a

Exhibit 5.5

# FEDERAL REGISTER



VOLUME 24

NUMBER 83

Washington, Wednesday, April 29, 1959

## Title 3—THE PRESIDENT

### Proclamation 3287

#### NATIONAL SAFE BOATING WEEK, 1959

By the President of the United States  
of America  
A Proclamation

WHEREAS the waters of the United States provide recreation for many millions of our citizens during the boating season; and

WHEREAS safe boating practices contribute to greater enjoyment of the sport and reducing loss of life and damage to property; and

WHEREAS the Congress, by a joint resolution approved June 4, 1958 (72 Stat. 179), has authorized and requested the President of the United States to proclaim annually the week which includes July 4 as National Safe Boating Week:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby designate the week beginning June 28, 1959, as National Safe Boating Week.

I urge all boatmen, boating organizations, the boating industry, State and Federal agencies, and all other groups interested in boating to join in this observance of National Safe Boating Week; and I call upon them to exert greater effort during that week and throughout the boating season to keep boating safe and pleasant.

I also invite the Governors of the States, the Territory of Hawaii, the Commonwealth of Puerto Rico, and the Possessions of the United States to provide for the observance of this Week to encourage nationwide interest in safe boating practices.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-fourth day of April in the year of our Lord nineteen hundred [SEAL] and fifty-nine, and of the Independence of the United States of America the one hundred and eighty-third.

DWIGHT D. EISENHOWER

By the President:

CHRISTIAN A. HERTER,  
Secretary of State.

[F.R. Doc. 59-3654; Filed, Apr. 27, 1959; 2:05 p.m.]

### Proclamation 3288

#### CITIZENSHIP DAY AND CONSTITUTION WEEK, 1959

By the President of the United States  
of America  
A Proclamation

WHEREAS our freedom as individuals and our growth as a Nation have their beginnings in the Constitution of the United States, signed at Philadelphia on September 17, 1787, the principles of which have been sustained and defended, in peace and in war, by generations of dedicated citizens; and

WHEREAS it is fitting that all citizens, both native-born and naturalized, observe the birthday of the Constitution and reaffirm their determination to keep faith with the Founding Fathers by giving life and meaning to the ideals of the Constitution; and

WHEREAS by a joint resolution approved February 29, 1952 (66 Stat. 9), the Congress designated the seventeenth day of September of each year as Citizenship Day in commemoration of the signing of the Constitution and in recognition of those citizens who have come of age and those who have been naturalized during the year; and

WHEREAS by a joint resolution approved August 2, 1956 (70 Stat. 932), the Congress requested the President to designate the week beginning September 17 of each year as Constitution Week, a time for study and observance of the acts

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which resulted in the formation of the Constitution; and

WHEREAS the aforesaid resolutions of the Congress authorize the President to issue annually a proclamation calling for the observance of Citizenship Day and Constitution Week:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, call upon the appropriate officials of the Government to display the flag of the United States on all Government buildings on Citizenship Day, September 17, 1959; and I urge Federal, State, and local officials, as well as all religious, civic, educational, and other organizations, to plan appropriate ceremonies on Citizenship Day to develop a better understanding of the rights and responsibilities of citizenship.

I also designate the period beginning September 17 and ending September 23, 1959, as Constitution Week; and I urge the people of the United States to observe that week with appropriate ceremonies and activities in their schools and churches and in other suitable places.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal

of the United States of America to be affixed:

DONE at the City of Washington this twenty-fifth day of April in the year of our Lord nineteen hundred and fifty-nine, and of the Independence of the United States of America the one hundred and eighty-third.

DWIGHT D. EISENHOWER

By the President:

CHRISTIAN A. HERTER,  
Secretary of State.

[F.R. Doc. 59-3655; Filed, Apr. 27, 1959; 2:05 p.m.]

**Proclamation 3289**

**NATIONAL MARITIME DAY, 1959**

By the President of the United States of America

**A Proclamation**

WHEREAS the United States has long fostered and encouraged the development and maintenance of a strong Merchant Marine; and

WHEREAS this is the year in which the N.S. *Savannah*, the world's first nuclear-powered merchant ship, will be launched upon the high seas; and

WHEREAS this ship provides another visible sign of the determination of the American people to devote the power of the atom to the furtherance of peaceful trade and to the progress of humanity; and

WHEREAS the Congress, by a joint resolution approved May 20, 1933 (48

Stat. 73), designated May 22 as National Maritime Day, in commemoration of the departure from Savannah, Georgia, on May 22, 1819, of the S.S. *Savannah* on the first transoceanic voyage by any steamship, and requested the President to issue a proclamation annually calling for the observance of that day:

NOW, THEREFORE, I, DWIGHT D. EISENHOWER, President of the United States of America, do hereby urge the citizens of the United States to honor our Merchant Marine on Friday, May 22, 1959, National Maritime Day, by displaying the flag of the United States at their homes or other suitable places; and I direct the appropriate officials of the Government to arrange for the display of the flag on all Government buildings on that day.

I also request that all ships sailing under the American flag dress ship on National Maritime Day in tribute to the American Merchant Marine.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-seventh day of April in the year of our Lord nineteen hundred and fifty-nine, and of the Independence of the United States of America the one hundred and eighty-third.

DWIGHT D. EISENHOWER

By the President:

CHRISTIAN A. HERTER,  
Secretary of State.

[F.R. Doc. 59-3688; Filed, Apr. 28, 1959; 10:34 a.m.]

**RULES AND REGULATIONS**

**Title 9—ANIMALS AND ANIMAL PRODUCTS**

**Chapter I—Agricultural Research Service, Department of Agriculture**

**SUBCHAPTER G—ANIMAL BREEDS**

**PART 151—RECOGNITION OF BREEDS AND BOOKS OF RECORD OF PURE-BRED ANIMALS**

**Examination of Animal**

Pursuant to paragraph 1606 of section 901 of the Tariff Act of 1930, as amended (19 U.S.C. 1201, par. 1606), § 151.7(c) of the regulations governing the recognition of breeds and books of record of purebred animals (9 CFR 151.7(c), as amended) is hereby further amended by deleting the last sentence therein and adding at the end of said paragraph the following: "When, upon such examination of any animal, the appearance of the animal as to color, markings, and other identifying characters does not conform with the description given in

the pedigree certificate and the importer desires to pursue the matter further, the pedigree certificate shall be retained by the inspector, and an application for a certificate of pure breeding and affidavit of identity for such animal shall be furnished, within 24 hours after the examination, to the inspector. The inspector shall forward all such papers to the Washington office of the Division by registered mail so that a determination may be made as to the identity of the animal in question. Since all certificates of pure breeding under the regulations for horses are issued by the Washington office of the Division, when the animal of questioned identity is a horse, similar papers shall also be furnished and forwarded in the same manner for each other horse in the entry. Pedigree certificates received by the Division under this paragraph will be returned as soon as the eligibility or ineligibility for a certificate of pure breeding of the animal of questioned identity has been determined by the Department. Removal of an animal from the port of arrival prior to presentation of the pedigree certifi-

cate or other failure to comply with the requirements of this paragraph shall constitute a waiver of any further claim to certification under the regulations in this part."

The foregoing amendment makes more stringent the requirements for obtaining certificates of pure breeding under the regulations, and should be made effective as soon as possible, in order to assure that such certificates will be issued only for animals which can definitely be identified as the animals covered by the pedigree certificates offered as a basis for certification of pure breeding under the regulations. Therefore, under section 4 of the Administrative Procedure Act (5 U.S.C. 1003), it is found upon good cause that notice of rule-making and other public procedure on the amendment would be impracticable and contrary to the public interest and good cause is found for making the amendment effective less than 30 days after publication in the FEDERAL REGISTER.

The amendment shall become effective upon publication in the FEDERAL REGISTER, and shall apply to all animals in

Exhibit 6.1

MB9  
MAY

THE NATIONAL ARCHIVES  
LITTERA SCRIPTA MANET  
OF THE UNITED STATES

# FEDERAL REGISTER

VOLUME 28

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# Presidential Documents

## Title 3—THE PRESIDENT

Proclamation 3534

CITIZENSHIP DAY AND CONSTITUTION WEEK, 1963

By the President of the United States of America

### A Proclamation

WHEREAS September 17, 1963, marks the one hundred and seventy-sixth anniversary of the signing of the Constitution of the United States on September 17, 1787; and

WHEREAS the strength of our Nation and the fundamental rights of our citizens are derived from the Constitution; and

WHEREAS citizenship and constitutional precepts are inseparable; and

~~WHEREAS, in this rapidly changing world of many challenges,~~ it is imperative that all citizens, naturalized or native-born, be aware of the acts and events that led to the formulation and adoption of the Constitution in order that they may fully appreciate the meaning and significance of our precious heritage and place the highest value on our form of government; and

WHEREAS it is appropriate on the one hundred and seventy-sixth anniversary of the signing of the Constitution that each citizen pledge himself anew to the service of his country and to being ever vigilant in the defense and preservation of the Constitution; and

WHEREAS by a joint resolution approved February 29, 1952 (66 Stat. 9), the Congress designated the seventeenth day of September of each year as Citizenship Day in commemoration of the signing of the Constitution on September 17, 1787, and in recognition of those citizens who have come of age and those who have been naturalized during the year; and

WHEREAS by a joint resolution approved August 2, 1956 (70 Stat. 932), the Congress requested the President to designate the week beginning September 17 of each year as Constitution Week—a time for the study and observance of the acts and events which resulted in the formation of the Constitution; and

WHEREAS those resolutions of the Congress authorize the President to issue annually a proclamation calling for the observance of Citizenship Day and of Constitution Week:

NOW, THEREFORE, I, JOHN F. KENNEDY, President of the United States of America, call upon the appropriate officials of the Government to display the flag of the United States on all Government buildings on Citizenship Day, September 17, 1963; and I urge Federal, State, and local officials, as well as all religious, civic, educational, and other organizations, to hold appropriate ceremonies on that day to inspire all our citizens to rededicate themselves to the faith of the Framers of the Constitution and to the ideals upon which they founded this Nation.

I also designate the period beginning September 17 and ending September 23, 1963, as Constitution Week; and I urge the people of the United States to observe that week with appropriate ceremonies and activities in their schools and churches and in other suitable places to the end that our citizens may have a better understanding of the Constitution and of the rights and responsibilities of United States citizenship.

Exhibit 7.1

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-sixth day of April in the year of our Lord nineteen hundred and sixty-three, and of the Independence of the United States of America the one hundred and eighty-seventh.

JOHN F. KENNEDY

By the President.

DEAN RUSK,  
*Secretary of State*

[P.R. Doc. 63-4730, filed, Apr. 30, 1963, 11:10 a.m.]

Exhibit 7.2

# INTERNAL REVENUE INVESTIGATION

## HEARINGS

BEFORE A

### SUBCOMMITTEE OF THE COMMITTEE ON WAYS AND MEANS HOUSE OF REPRESENTATIVES

EIGHTY-THIRD CONGRESS

FIRST SESSION

ON

ADMINISTRATION OF THE INTERNAL REVENUE LAWS

---

### PART A

---

FEBRUARY 3, 4, 5, 6, 9, 10, 25, 26, 27, MARCH 2, 3, 4, 5, 6, 10, 11, 12, AND  
13, 1953

Printed for the use of the Committee on Ways and Means



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WASHINGTON : 1953

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One of my assistants refers to policy and personnel, and of course, under this new structure, we are concerned here in Washington, as I pointed out, largely with policy and in administering the industry, rather than directing the personnel. That is left primarily to the district commissioners or, rather, the assistant district commissioners.

Mr. CURTIS. An alcohol tax matter that would go to the Appeals Section-----

Mr. AVIS. There is just no such thing. That is where this structure differs.

Let me point this out now: Your income tax is 100 percent voluntary tax, and your liquor tax is 100 percent enforced tax. Now, the situation is as different as day and night. Consequently, your same rules just will not apply, and therefore the alcohol and tobacco tax has been handled here in this reorganization a little differently, because of the very nature of it, than the rest of the over-all tax problem.

Mr. CURTIS. In other words, the alcohol and tobacco tax setup, while it is a part of the Bureau generally, has more or less an autonomy of its own, with the power and authority vested in it; is that right?

Mr. AVIS. I think that is a fair statement; yes, sir, Mr. Curtis.

Chairman KEAN. How about legal matters; does the counsel of the Bureau advise with you?

Mr. AVIS. Well, we have an Alcohol and Tobacco Tax Division counsel, and he reports to the Chief Counsel of the Bureau, and he is part of the general counsel's setup in the Treasury. But for convenience, so that when I get a problem, for example, over the telephone and it is a question of whether a big factory or a plant's operations are to be set up, I can grab my lawyer across the hall and find out what the law is, don't you see; and he, for convenience, is located right in the adjoining suite to me here in Washington. And the same thing applies in the field. In other words, it is a specialized field, and the lawyers that service alcohol tax are generally attached to the assistant district commissioner's office, as far as space is concerned. They still report to their boss, who is the divisional counsel.

Chairman KEAN. There is a lawyer in every one of the 17 areas?

Mr. AVIS. Yes.

Chairman KEAN. He is under the lawyer who deals with you, who is under the man in Mr. Davis' office at the moment, who is under the man in the Treasury Department?

Mr. AVIS. That is Mr. Tuttle; I think he is the new man.

Mr. CURTIS. But your lawyers are confined to problems relating to alcohol tax and tobacco tax?

Mr. AVIS. Yes; because it is so highly specialized, sir.

Mr. Chairman, I think we have covered the rest of my statement, but I will read it.

The reorganization plan abolished the district supervisors and established in their place 17 assistant district commissioners, Alcohol and Tobacco Tax Division, who, subject to the general supervision of the district commissioners, have substantially the same functions, powers, and duties that the former district supervisors had. All tax and regulatory field functions, including the servicing of the industries,

# Notices

## DEPARTMENT OF THE TREASURY INTERNAL REVENUE SERVICE Organization and Functions

This material supersedes the statements on organization and functions published at 36 F.R. 849-850, 36 F.R. 11946, and 37 F.R. 489-490.

Dated: September 27, 1972.

[SEAL] JOHNNIE M. WALTERS,  
Commissioner of Internal Revenue.

### 1100 ORGANIZATION AND STAFFING 1110 ORGANIZATION AND FUNCTIONS OF THE INTERNAL REVENUE SERVICE

#### 1111 ESTABLISHMENT OF THE INTERNAL REVENUE SERVICE

##### 1111.1 MISSION

\* The mission of the Service is to encourage and achieve the highest possible degree of voluntary compliance with the tax laws and regulations and to maintain the highest degree of public confidence in the integrity and efficiency of the Service. This includes communicating the requirements of the law to the public, determining the extent of compliance and causes of noncompliance, and doing all things needful to a proper enforcement of the law.

##### 1111.2 ORGANIC ACT

(1) The Office of the Commissioner of Internal Revenue was established by an act of Congress (12 Stat. 432) on July 1, 1862, and the first Commissioner of Internal Revenue took office on July 17, 1862.

(2) The act of July 1 provided:

" \* \* \* That, for the purpose of superintending the collection of internal duties, stamp duties, licenses, or taxes imposed by this Act, or which may be hereafter imposed, and of assuming the same, an office is hereby created in the Treasury Department to be called the Office of the Commissioner of the Internal Revenue; \* \* \* Commissioner of Internal Revenue, \* \* \* shall be charged, and hereby is charged, under the direction of the Secretary of the Treasury, with preparing all the instructions, regulations, directions, forms, blanks, stamps, and licenses, and distributing the same or any part thereof, and all other matters pertaining to the assessment and collection of the duties, stamp duties, licenses, and taxes, which may be necessary to carry this Act into effect, and with the general superintendence of his office, as aforesaid, and shall have authority, and hereby is authorized and required, to provide proper and sufficient stamps or dies for expressing and denoting the several stamp duties, or the amount thereof in the case of percentage duties, imposed by this Act, and to alter and renew or replace such stamps from time to time, as occasion shall require; \* \* \*"

(3) By common parlance and understanding of the time, an office of the importance of the Office of Commissioner of Internal Revenue was a bureau. The Secretary of the Treasury in his report at the close of the calendar year 1862 stated that "The Bureau

of Internal Revenue has been organized under the Act of the last session \* \* \* Also it can be seen that Congress had intended to establish a Bureau of Internal Revenue, or thought they had, from the act of March 8, 1868, in which provision was made for the President to appoint with Senate confirmation a Deputy Commissioner of Internal Revenue "who shall be charged with such duties in the bureau of internal revenue as may be prescribed by the Secretary of the Treasury, or as may be required by law, and who shall act as Commissioner of internal revenue in the absence of that officer, and exercise the privilege of franking all letters and documents pertaining to the office of internal revenue." In other words, "the office of internal revenue" was "the bureau of internal revenue," and the act of July 1, 1862 is the organic act of today's Internal Revenue Service.

##### 1111.3 HISTORY

1111.31 *Internal Taxation.* Madison's Notes on the Constitutional Convention reveal clearly that the framers of the Constitution believed for some time that the principal, if not sole, support of the new Federal Government would be derived from customs duties and taxes connected with shipping and importations. Internal taxation would not be resorted to except infrequently, and for special reasons. The first resort to internal taxation, the enactment of internal revenue laws in 1791 and in the following 10 years, was occasioned by the exigencies of the public credit. These first laws were repealed in 1802. Internal revenue laws were reenacted for the period 1813-17 when the effects of the war of 1812 caused Congress to resort to internal taxation. From 1818 to 1861, however, the United States had no internal revenue laws and the Federal Government was supported by the revenue from import duties and the proceeds from the sale of public lands. In 1862 Congress once more levied internal revenue taxes. This time the establishment of an internal revenue system, not exclusively dependent upon the supplies of foreign commerce, was permanent.

1111.32 *Background and Evolution of Present Organization.* (1) Before the establishment of the Office of Commissioner of Internal Revenue, taxes were collected by "Supervisors" of collection districts who were appointed by the President, subject to Senate confirmation. These Supervisors worked under the direct control of the Treasury Department. The Revenue Act of 1813 provided, for the first time, for a "Collector" and a "Principal Assessor" for each collection district, and for deputy collectors and assistant assessors. Collectors and Assessors appear to be the original forerunners of the 20th century Collectors of Internal Revenue and Internal Revenue Agents in Charge.

(2) Since 1862, the Internal Revenue Service has undergone a period of steady growth as the means for financing Government operations shifted from the levying of import duties to internal taxation. Its expansion received considerable impetus in 1919 with the ratification of the 16th amendment to the Constitution under which Congress received constitutional authority to levy taxes on the income of individuals and corporations. With the enactment of income tax laws the work of the Revenue Service began to take on a highly technical character.

(3) From the World War I period through 1951, the basic organizational structure of the

Internal Revenue Service remained essentially unchanged even though there were marked increases in the number of taxpayer serviced, revenue receipts, employees and the overall workload. The Service was organized in Washington and the field, on a program of "type-of-tax" basis, with jurisdictionally separate organizations, or "Units," charged with the administration of different types of taxes.

##### 1111.3 REORGANIZATION PLAN NO. 1 OF 1952 AND OTHER CHANGES

(1) On January 14, 1952, the President of the United States submitted to Congress Reorganization Plan No. 1 of 1952, calling for a comprehensive reorganization of the Internal Revenue Service. On March 13, 1952, the last motion to defeat the plan was voted down in the Senate, and the plan became effective on March 15, 1952.

(2) Reorganization Plan No. 1 of 1952 brought about four basic changes in the Internal Revenue Service:

(a) The organization of the Service along functional lines—i.e., operations, administration, technical, planning, and inspection;

(b) The abandonment of the system of political appointments to positions below the Commissioner;

(c) The integration of most field revenue programs under District Directors of Internal Revenue; and

(d) The establishment of a system of regional administration under Regional Commissioners of Internal Revenue.

(3) The Reorganization Plan provided authority for the establishment of 26 Offices of Regional Commissioners (referred to as "District Commissioners" in the Plan). By December 1, 1952, the offices of 17 regional commissioners had been established. The major field programs, including alcohol and tobacco tax enforcement, were integrated under district directors; the appellate program and the permissive alcohol and tobacco tax functions were placed in the offices of regional commissioners; and, in the National Office, all activities were placed under Assistant Commissioners for Inspection; Operations; and Technical; an Assistant to the Commissioner, and an Administrative Assistant to the Commissioner.

(4) In 1953, a number of organizational refinements were effected. The number of regions was reduced to nine; the field operations of alcohol and tobacco tax were centralized at the regional level; and the delinquent accounts and returns program was transferred from the Audit Divisions in the Offices of District Directors to their Collection Divisions. In the National Office, the position of Deputy Commissioner was established and the Bureau of Internal Revenue was redesignated as the Internal Revenue Service.

(5) Other significant changes since 1953 include establishment of the Offices of Assistant Commissioners for Administration, Data Processing, and Planning and Research; redesignation of the Assistant Commissioner (Operations) as the Assistant Commissioner (Compliance); discontinuance of the Columbus and Toledo (Ohio) districts and consolidation of the Upper and Lower Manhattan districts, effective January 1, 1959; establishment of the Anchorage (Alaska) district on January 1, 1961; transfer on September 13, 1963, of the Director of Practice from the Internal Revenue Service to the Office of the Secretary of the Treasury to be under the

Exhibit 9.0

internal management documents which should be a matter of public knowledge even though not necessarily affecting the rights or duties of the public. When publication of the substance of a Revenue Procedure in the FEDERAL REGISTER is required pursuant to 5 U.S.C. 552, it will usually be accomplished by an amendment of the Statement of procedural Rules (26 CFR Part 601).

(vii) (a) The Assistant Commissioner (Technical) is responsible for administering the system for the publication of Revenue Rulings and Revenue Procedures in the Bulletin, including the standards for style and format.

(b) In accordance with the standards set forth in subdivision (iv) of this subparagraph, each Assistant Commissioner is responsible for the preparation and appropriate referral for publication of Revenue Rulings reflecting interpretations of substantive tax law made by his office and communicated in writing to taxpayers or field offices. In this connection, the Chief Counsel is responsible for the referral to the appropriate Assistant Commissioner, for consideration for publication as Revenue Rulings, of interpretations of substantive tax law made by his Office.

(c) In accordance with the standards set forth in subdivision (iv) of this subparagraph, each Assistant Commissioner and the Chief Counsel is responsible for determining whether procedures established by any office under his jurisdiction should be published as Revenue Procedures and for the initiation, content, and appropriate referral for publication of such Revenue Procedures.

(e) *Foreign tax law.* (1) The Service will accept the interpretation placed by a foreign tax convention country on its revenue laws which do not affect the tax convention. However, when such interpretation conflicts with a provision in the tax convention, reconsideration of that interpretation may be requested.

(2) Conferences in the National Office of the Service will be granted to representatives of American firms doing business abroad and of American citizens residing abroad, in order to discuss with them foreign tax matters

with respect to those countries with which we have tax treaties in effect.

[32 FR 15990, Nov. 22, 1967, as amended at 33 FR 6826, May 4, 1968; 35 FR 16593, Oct. 24, 1970; 38 FR 4971, Feb. 23, 1973; 39 FR 15755, May 6, 1974; 41 FR 13611, Mar. 31, 1976; 41 FR 20883, May 21, 1976; 43 FR 17821, Apr. 26, 1978; 47 FR 56333, Dec. 16, 1982; 48 FR 15624, Apr. 12, 1983; 52 FR 26673, July 16, 1987]

#### § 601.602 Tax forms and instructions.

(a) *Tax return forms and instructions.* The Internal Revenue Service develops forms and instructions that explain the requirements of the Internal Revenue Code and regulations. The Service distributes the forms and instructions to help taxpayers comply with the law. The tax system is based on voluntary compliance, and the taxpayers complete and return the forms with payment of any tax owed.

(b) *Other forms and instructions.* In addition to tax return forms, the Internal Revenue Service furnishes the public copies of other forms and instructions developed for use in complying with the laws and regulations. These forms and instructions lead the taxpayer step-by-step through data needed to accurately report information required by law.

(c) *Where to get forms and instructions.* The Internal Revenue Service mails tax return forms to taxpayers who have previously filed returns. However, taxpayers can call or write to district directors or directors of service centers for copies of any forms they need. These forms are described in Publication 676, *Catalog of Federal Tax Forms, Form Letters, and Notices*, which the public can buy from the Superintendent of Documents, U.S. Government Printing Office, Washington, DC 20402.

[46 FR 26055, May 11, 1981]

#### Subpart G—Records (Note)

NOTE: The regulations in Subpart G of 26 CFR Part 601 are superseded in part by 27 CFR Part 71 to the extent that it applied to alcohol, tobacco, firearms, and explosives records, formerly administered by the Internal Revenue Service and transferred to the Bureau of Alcohol, Tobacco and Firearms. (See 37 FR 13691, July 13, 1972.)

#### § 601.702 Publication, public inspection, and specific requests for records.

(a) *Publication in the FEDERAL REGISTER.*—(1) *Requirement.* (i) Subject to the application of the exemptions and exclusions described in the Freedom of Information Act, 5 U.S.C. 552(b) and (c), and subject to the limitations provided in paragraph (a)(2) of this section, the IRS is required under 5 U.S.C. 552(a)(1), to state separately and publish currently in the FEDERAL REGISTER for the guidance of the public the following information—

(A) Descriptions of its central and field organization and the established places at which, the persons from whom, and the methods whereby, the public may obtain information, make submittals or requests, or obtain decisions, from the IRS;

(B) Statement of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal and informal procedures which are available;

(C) Rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations;

(D) Substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the IRS; and

(E) Each amendment, revision, or repeal of matters referred to in paragraphs (a)(1)(i)(A) through (D) of this section.

(ii) Pursuant to the foregoing requirements, the Commissioner publishes in the FEDERAL REGISTER from time to time a statement, which is not codified in this chapter, on the organization and functions of the IRS, and such amendments as are needed to keep the statement on a current basis. In addition, there are published in the FEDERAL REGISTER the rules set forth in this part 601 (Statement of Procedural Rules), such as those in paragraph E of this section, relating to conference and practice requirements of the IRS; the regulations in part 301 of this chapter (Procedure and Adminis-

tration Regulations); and the various substantive regulations under the Internal Revenue Code of 1986, such as the regulations in part 1 of this chapter (Income Tax Regulations), in part 20 of this chapter (Estate Tax Regulations), and in part 31 of this chapter (Employment Tax Regulations).

(2) *Limitations.*—(i) *Incorporation by reference in the FEDERAL REGISTER.* Matter which is reasonably available to the class of persons affected thereby, whether in a private or public publication, shall be deemed published in the FEDERAL REGISTER for purposes of paragraph (a)(1) of this section when it is incorporated by reference therein with the approval of the Director of the Office of the Federal Register. The matter which is incorporated by reference must be set forth in the private or public publication substantially in its entirety and not merely summarized or printed as a synopsis. Matter, the location and scope of which are familiar to only a few persons having a special working knowledge of the activities of the IRS, may not be incorporated in the FEDERAL REGISTER by reference. Matter may be incorporated by reference in the FEDERAL REGISTER only pursuant to the provisions of 5 U.S.C. 552(a)(1) and 1 CFR part 20.

(ii) *Effect of failure to publish.* Except to the extent that a person has actual and timely notice of the terms of any matter referred to in paragraph (a)(1) of this section which is required to be published in the FEDERAL REGISTER, such person is not required in any manner to resort to, or be adversely affected by, such matter if it is not so published or is not incorporated by reference therein pursuant to paragraph (a)(2)(i) of this section. Thus, for example, any such matter which imposes an obligation and which is not so published or incorporated by reference shall not adversely change or affect a person's rights.

(b) *Public inspection and copying.*—(1) *In general.* (i) Subject to the application of the exemptions described in 5 U.S.C. 552(b) and the exclusions described in 5 U.S.C. 552(c), the IRS is required under 5 U.S.C. 552(a)(2) to make available for public inspection and copying or, in the alternative, to

[Code of Federal Regulations]  
[Title 26, Volume 20]  
[Revised as of April 1, 2005]  
From the U.S. Government Printing Office via GPO Access ✓  
[CITE: 26CFR601.602]

[Page 114]

TITLE 26--INTERNAL REVENUE

CHAPTER I--INTERNAL REVENUE SERVICE, DEPARTMENT OF THE TREASURY  
(CONTINUED)

PART 601\_STATEMENT OF PROCEDURAL RULES--Table of Contents

Subpart F\_Rules, Regulations, and Forms

Sec. 601.602 Tax forms and instructions.

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[46 FR 26055, May 11, 1981]

Exhibit 10.1

Return to Full

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**USA TODAY**

March 6, 1997, Thursday, FINAL EDITION

**SECTION:** MONEY; Pg. 5B

**LENGTH:** 613 words

**HEADLINE:** Dissatisfaction spurs look into tax agency

**BYLINE:** Anne Willette

**BODY:**

*Rep. Rob Portman, R-Ohio, and Sen. Bob Kerrey, D-Neb., are co-chairmen of the National Commission on Restructuring the IRS. They talked with USA TODAY reporter Anne Willette about what's wrong with the IRS and how it can be fixed.*

Q: Why is there a commission?

Kerrey: It's customer dissatisfaction, measured in a number of ways -- taxpayers themselves saying they're dissatisfied with the service.

Q: Doesn't some of that come from having to pay taxes?

Portman: No one likes to pay taxes, but . . . there's the concern that taxpayers' dollars are not being used wisely. In this computer snafu, the number may be \$ 4 billion, it may be \$ 3 billion, but regardless, it's a huge number, and when we're trying to balance the budgets and make hard decisions in terms of helping those most in need, to have a waste of taxpayer funds like that is truly discouraging.

Q: The commission's goal is to "ensure the American public's faith in its government to collect revenue in a fair and courteous manner." Why does being fair and courteous matter?

Kerrey: It's a voluntary system. If people don't perceive it to be fair, people will not **voluntarily** comply. We are struggling

Exhibit 11.0

to maintain ground on voluntary **compliance**.

Portman: One of the challenges this commission has is to begin a process . . . of changing the culture of the IRS. And by that I mean a culture that encourages . . . doing things in-house vs. looking outside for expertise, an insular culture, a secretive culture, but also a culture where, at least with regard to some IRS employees, there is not that focus on the taxpayers as customer.

Q: What's the root cause of the IRS' problems?

Kerrey: We've got a good Internal Revenue Service compared to other nations. . . . The root cause for me is the way we organize the effort. You're talking about an agency that is so different than any other agency in government. It is a seasonal business. It touches every single American household. And it's an annual event, it's a constant -- you know these taxes are going to come due, and it funds everything else we do. . . . This country can't get along without the tax-collection agency. It is vital to every other agency. Thus, it's calling out for, particularly given the citizen attitude toward it, a fundamental reassessment of how it's organized.

Q: If the computer system were state of the art, would all problems be solved?

Kerrey: The tax system modernization failure is a symptom not a cause.

Portman: The modernization will help us with regard to taxpayer service. The phones will work better, and when you actually get through, you'll have someone on the other end who will be able to help you in regard to your account. If the computerization is successful, it will be like calling up Visa and saying, "I just got a notice, where is my account as of right now?" . . . But even the best computer system doesn't solve all of the problems. . . . We're uncovering so many other problems -- pointing the finger at Congress -- in terms of simplification and constant change of the tax code.

Q: If the IRS has so many problems, why do taxpayers fear it?

Kerrey: If I'm an auditor and I've got the power to either initiate the audit or make the outcome the taxpayer's worst nightmare, the question is can I do that on the basis of not liking somebody? And the secondary question is, is there a review process that

*Exhibit 11.1*

enables the citizen to appeal? . . . This is an issue that's been raised so many times by individuals, small businesses and (tax-exempt organizations) that it's deserving of the commission's attention.

**GRAPHIC:** PHOTO, B/W, Tim Dillon, USA TODAY

**LOAD-DATE:** March 13, 1997

*Exhibit 11.2*

PRESS ROOM



FROM THE OFFICE OF PUBLIC AFFAIRS

November 18, 2004  
JS-2110

**Samuel W. Bodman, Deputy Secretary of the Treasury**  
**Remarks before the Tax Foundation Annual Conference**  
**November 18, 2004**

Thank you very much, Scott. I'd like to thank you and the Directors of the Tax Foundation for inviting me to be here today.

For nearly 70 years, the Tax Foundation has committed itself to independent research on tax policy and has developed a reputation for principled, high quality analysis. You deserve the thanks of every taxpayer, and Secretary Snow and I look forward to your continued good work.

As you are no doubt keenly aware, President Bush has made it clear that fundamental tax reform will be a key priority of his second term. During his nomination acceptance speech in New York and on several occasions since, the President has outlined his goals for tax reform, including simplifying the tax code, increasing long-run economic growth and job creation, and ensuring that taxes are applied fairly. He has also indicated that reform should be revenue neutral and, among other things, should recognize the importance of homeownership and charitable giving in our society.

The President will soon appoint a bipartisan panel to advise the Secretary of the Treasury on options to fundamentally reform the tax code to achieve these goals. While it is premature to speculate on who may serve on the panel or what their product might be, we at the Department are looking forward to the panel's deliberations and to receiving their guidance.

I will discuss the President's rationale for tax reform in more detail, but first let me say that we have a solid foundation on which to build this effort. Since coming into office in 2001, the President has proposed and signed into law a number of tax revisions that strengthened our economy in the short-term and will encourage more robust growth in the future.

The tax cut packages in 2001 and 2003 reduced marginal individual income tax rates by between 3 and 5 percentage points. Lower income tax rates advance one of the President's key reform principles – increasing long-term economic growth – by increasing the after-tax rewards from work, saving, investment, and entrepreneurial activity. Lower rates also reduce the incentives to engage in sheltering or tax avoidance activities and increase compliance.

In addition, the 2003 tax cut also took a significant step toward eliminating the double tax on corporate income. This important tax change reduces a number of economic distortions that interfere with the productive use of our nation's resources.

As you will recall, the President proposed complete elimination of the double tax on corporate profits. While the legislation enacted in 2003 falls short of complete elimination, the maximum tax rate on dividends and capital gains was cut to 15 percent, which significantly reduces the double tax.

*Exhibit 12.0*



This tax cut reduced the tax bias against investment in the corporate sector of the economy, improved the neutrality of the system in its treatment of different forms of business organization and stimulated savings, investment and capital formation, which in turn will raise output and living standards in the long-term.

Importantly, the tax packages in 2002 and 2003 implemented partial expensing for business plant and equipment. They also increased the amount of investment small businesses are allowed to expense – from the previous limit of \$25,000 to \$100,000. These temporary provisions addressed a weak spot in the economic recovery – low corporate investment – at a key point in time, and helped keep the economy on the road to recovery.

Other important changes, enacted in 2001, included significantly expanding retirement saving incentives by raising contribution limits and indexing those limits for inflation. In addition, the 2001 tax cut also implemented a phase-out of the estate tax. The estate tax adds to the tax burden on investment returns accumulated over a lifetime, which reduces the incentive to save and invest, especially in closely held businesses.

The tax cuts adopted during this Administration have also made important improvements in fairness and simplification . . . by reducing the so-called "marriage penalty," for example. Married couples have benefited from expansions of the standard deduction, the 15-percent tax rate bracket, and the Earned Income Tax Credit. Lowering tax rates also helped reduce marriage penalties. In 2004, the combined effects of the tax cuts have reduced marriage penalties by over \$15 billion. Marriage penalties have been eliminated for about 7 million couples.

Another significant step in tax simplification occurred this year when Congress passed an Administration proposal that affects over 50 million taxpayers with children. Taxpayers with children are eligible for five different tax benefits. And, though it may be hard to believe, each previously had a different definition of an eligible child. Taxpayers had to carefully check complicated rules for each of the separate benefits to determine if their child qualified. Not surprisingly, this resulted in taxpayer confusion and errors. In 2002, the Administration proposed replacing the diverse definitions of a child with a standard definition. This year, the proposal was enacted.

A few words about the American Jobs Creation Act, signed by the President last month, which included important reforms regarding the tax treatment of foreign earned income and tax administration relating to tax shelters. The Act made dramatic and much-needed changes that will help ensure that the foreign tax credit will operate as intended, so fewer U.S. businesses will be subject to double taxation on their income earned in foreign markets. Other changes better focus the U.S. rules regarding taxation of passive income earned abroad so those rules do not impose an inappropriate burden on U.S. businesses - a burden, I should add, that is not borne by their competitors from our trading partners. These international tax reforms will help U.S. businesses and American workers to compete on fair terms in the global marketplace.

The Act also included several provisions that will strengthen the IRS' enforcement capability with respect to potentially abusive transactions. It provides consistent, simplified rules for disclosure, registration and list-maintenance. For example, it requires that the same information about a questionable transaction be provided to the IRS both by the taxpayers participating in these transactions and by the promoters and their advisors, who also are required to maintain lists of investors. The law also imposes meaningful penalties on taxpayers and material advisors who fail to disclose transactions.

One of the primary goals of these rules is to provide certainty. Clearer disclosure rules, without exceptions and perceived loopholes, will be easier for taxpayers and their advisors to apply, harder for taxpayers and their advisors to manipulate, and easier for the IRS to administer and enforce.

While these tax law changes have made important improvements to our system,

Exhibit 12.1

there is much more to be done. One top priority is making the President's tax cuts permanent. Under current law, the general tax rate cuts and the elimination of the estate tax expire at the end of 2010. The lower tax rates on dividends and capital gains expire at the end of 2008. The \$100,000 expensing limit for small businesses expires at the end of 2007. In order to provide a stable tax environment for American families and American businesses to plan for the future, these tax changes must be made permanent.

In addition, as I mentioned at the outset, the President has made clear the crucial need for fundamental reform of the tax system. Our system is widely perceived as complex, unfair, and easily manipulated. The resulting loss of faith in the code threatens voluntary compliance – a foundation of our system.

Complexity in the tax code results from the myriad incentives in the form of targeted deductions and credits, the tax treatment of capital income, the tax treatment of business income, and the Alternative Minimum Tax (AMT). The complexity is growing rapidly, not only because of new and frequent changes to complex provisions, but also because of the expanding reach of the individual AMT. By 2010, 34 million taxpayers will be affected by the AMT compared to 3.5 million today.

Both individual and business taxpayers spend enormous amounts of time and money filling out their tax returns. It is estimated that taxpayers spend 6 billion hours each year to decipher the tax rules, maintain records, and fill out returns. One reasonable estimate places the costs of compliance at \$120 billion annually. This is nearly 13 percent of the amount of revenue collected by the tax, which is much too high. And this figure doesn't include any adjustment to reflect the frustration and annoyance experienced by taxpayers! Many turn to professionals for help – about 75 million individual taxpayers, including many with relatively simple tax returns, use paid preparers to fill out their returns.

The current tax system also imposes large costs on our economy by causing households and businesses to rearrange their affairs in ways that make poor use of economic resources, and ultimately lead to lower living standards. Taxpayers and businesses spend countless hours trying to figure out ways to minimize their taxes, with some going so far as to purchase tax shelters.

The tax system also influences important economic decisions. When people make decisions about whether and how much to work, save, or invest because of the tax system rather than economic fundamentals, resources are allocated inefficiently. By minimizing these economic inefficiencies, fundamental tax reform potentially could raise Gross Domestic Product and increase the capital stock substantially.

Understanding the short-comings of our current tax code helps set the stage for fundamental reform. As I mentioned earlier, the President has set out several objectives in this area. The first is that the tax system should be simpler. This means that it should be easier for taxpayers to understand. It means that complying with the tax system should be less onerous. Tax forms and instructions should be shorter and less complicated. It also means that the cost of administering the tax system should be reduced.

Another principle specified by the President is that tax reform should foster economic growth and job creation. Economic decisions need to be based on economics rather than the tax code. This also means that the tax system should be structured to maintain and enhance the international competitiveness of U.S. businesses in a rapidly-changing, highly competitive global economy.

The President also has stated that the tax system should be fair. Progressivity is one attribute that is fundamental to fairness in taxation. As you know, our current tax system is highly progressive. The top 50 percent of taxpayers (ranked by income) pay 96 percent of all individual income taxes. I should note that the President's tax cuts have actually increased the share of income taxes paid by higher income Americans. The top 1 percent of Americans would have paid 30.5 percent of all individual income taxes without the tax cuts, but now pay over 32

*Exhibit 12.2*

percent. The bottom 50 percent of taxpayers now pays a smaller share – 3.6 percent of all individual income taxes with the tax cuts, instead of 4.1 percent without the tax cuts.

Fairness also means that the tax system should be transparent. Too many people perceive the tax system as unfair – believing that their neighbors are able to reduce their taxes through a maze of loopholes and clever tax planning. The smooth and efficient functioning of our tax system depends on a high level of voluntary compliance. But, voluntary compliance erodes if taxpayers come to believe that others are getting away with something that they are not.

The President also has said that any reform needs to get the incentives right, recognizing, for example, the importance of homeownership and charitable giving in our American society, which receive favorable treatment in our current tax system.

We believe that by reforming our tax code along these lines, we will create a better, fairer, simpler system that will diminish the appetite for future frequent change. As we all know, frequent changes to multiple provisions make the code even more difficult to administer and even more confusing for taxpayers to deal with. I suppose one might imagine (or dream of!) a tax system that is so obviously perfect and enjoys such widespread support that Congress could not possibly consider changing a single provision! We are not so confident as to believe that we will achieve such a state of flawlessness, but, we are certainly looking at ways to improve the stability of the system.

One of the key challenges in approaching tax reform is confronting the misperceptions that surround our system. A big part of the tax reform discussion in our country for the past several years has been around whether we should have an income tax or a consumption tax. Many people approach that issue believing that we now have an income tax. That may be partly because we call our tax an income tax. But, in reality, we have a hybrid tax system with some elements of an income tax, some elements of a consumption tax, and some elements that are neither.

The fundamental difference between an income tax and a consumption tax is that an income tax taxes the return to saving whereas a consumption tax does not. Our current so-called income tax includes several vehicles that effectively allow savings to escape taxation, primarily pensions, 401(k) accounts, and individual retirement accounts, or IRAs. Thirty five percent of household financial assets are held in these tax-favored vehicles, receiving tax treatment consistent with a consumption tax, not an income tax.

A related point: Some people also believe that our major trading partners depend substantially on consumption taxes – their value added taxes – and we do not. While we do not have a value added tax or significant consumption taxes at the federal level, our states rely heavily on sales taxes. In total, over 12 percent of tax revenue in the U.S. is derived from consumption taxes. This is lower than our trading partners – most of which rely on consumption taxes for between 20 to 30 percent of total revenue – but still significant.

One thing we do know is that achieving fundamental reform of the tax system will not be quick or easy. Nonetheless, this is extremely important work . . . and President Bush is committed to taking it on. The improvements that can be achieved through tax reform – simplification, reduced compliance burdens and costs, increased economic growth and output, and increased confidence in the system – make it well worth the effort and difficulty.

To be sure, there will be many obstacles to overcome. Almost every element of the current tax system is supported by some influential interest group that will argue calamity from its elimination or revision. There is an old saying that "an old tax system is a good tax system." The people who know the current tax system and have figured out how to cope with it, fear the changes that might come in a new system. But another statement from a wise tax legislator says: "we ought to have a tax system that looks like someone might have adopted it on purpose." Our tax system currently does not come close to passing that test. We can and should do

*Exhibit 12.3*

better.

As we go through this process, I am hopeful that groups like the Tax Foundation will contribute to and support our efforts. By working together, I believe that we can improve our tax system in ways that will make our lives easier, make our businesses more productive, and allow our economy to flourish.

Thank you.

*Exhibit 12.4*

GAO

Report to the Chairman, Subcommittee  
on Oversight, Committee on Ways and  
Means, House of Representatives

May 2002

TAX  
ADMINISTRATION

Impact of Compliance  
and Collection  
Program Declines on  
Taxpayers



G A O

Accountability \* Integrity \* Reliability

*Exhibit 13.0*

collectively owed about \$16.1 billion.<sup>3</sup> IRS officials said that absent significant operational change, they had little expectation of reopening many deferred collection cases.

A number of factors contributed to the declines in the programs and in collection coverage, including declines in overall IRS staffing (about 8 percent), increased workload, and increased compliance and collection procedural controls mandated by Congress to better safeguard taxpayer interests. Also, in response to congressional mandates to improve taxpayer service, IRS temporarily reassigned some compliance and collection staff to activities such as answering taxpayer questions. Additionally, IRS officials said that compliance and collection resources were constrained by the need to commit resources to process tax returns and issue refunds.

The declines in IRS's compliance and collection programs affected taxpayers in several ways.

- The likelihood that taxpayer noncompliance would be detected and pursued by IRS declined. For example, coverage in the nonfiler program declined by 69 percent by the end of fiscal year 2001.
- The length of time that taxpayers owed back taxes at the time that they were assigned to collection increased between 1996 and 2001, although IRS intended that by deferring collection action on some older collection cases, it could get to newly assigned cases more quickly.
- The amount of penalties and interest continued to accumulate on deferred collection cases, making future payment increasingly demanding if subsequently pursued by IRS.

\* | Taken together, these changes have reduced the incentives for voluntary compliance, a concern of IRS senior managers. Also, some available, but very limited, data suggest that voluntary compliance may have begun to deteriorate. For example, the number of apparent individual nonfilers increased about three and one-half times faster than the individual tax filing population.

The strategic assessments, which were prepared to provide a basis for IRS senior managers to decide on significant program changes in IRS dealings with individual and small business taxpayers, identified the risk of

<sup>3</sup>The 95 percent confidence interval is \$14.8 billion to \$17.4 billion.

Exhibit 13.1

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declining compliance as a major trend, issue, or problem for IRS. These assessments, part of IRS's new strategic planning, budgeting, and performance management process, also proposed a number of compliance and collection initiatives to address noncompliance. The assessments could not quantify the impact that the initiatives may have on taxpayer compliance, because IRS has not yet finished implementing a system for measuring taxpayer compliance. However, as a partial substitute for such information, the assessments could have provided quantitative estimates of the impacts of the initiatives on compliance and collection programs and the gap between them.

To better assure that the assessments promote informed strategic decision making, we are recommending that the commissioner of internal revenue reexamine the extent to which some quantitative information on the impact of proposed program changes should be included in strategic assessments.

In a letter dated May 13, 2002, the IRS commissioner agreed with our recommendations. (See p. 26 for a discussion of agency comments, which are reprinted in app. II.)

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## Background

\* Under our voluntary tax system, taxpayers are responsible for filing tax returns that report the full amount of taxes owed (referred to as self-assessment of taxes) as well as pay any taxes that are due. IRS has established eight major compliance and collection programs to check on taxpayer compliance with these responsibilities and to initiate collection action if payment is not received. A descriptive overview of these compliance and collection programs is shown in figure 1. (A detailed description appears in table 4 in app. I.) \*

In general, the compliance programs were designed to assure that taxpayers fully and accurately report and pay the amount of taxes that they owe to IRS. As shown in figure 1, IRS's compliance checks begin when taxpayers file their tax returns. As returns are received and processed, they are checked for errors (e.g., math errors and omitted schedules) and unpaid balances. After processing, a tax return may also be selected for review by other compliance programs. Two of these compliance programs use computers to analyze information available to IRS (e.g., earnings on bank deposits) to detect taxpayers who have not filed tax returns or taxpayers who have underreported the amount of taxes owed. IRS may also audit the tax returns filed by individuals, corporations, and others, such as estates, to determine whether the correct tax has been

*Exhibit 13.2*

National Archives



Washington, DC 20540

May 16, 1994

Richard Durjak  
5506 West 12nd Place  
Cicero, IL 60650

Dear Mr. Durjak:

The Director of the Federal Register has asked me to respond to your inquiry. You have asked whether Internal Revenue Service provisions codified at 26 U.S.C. 6020, 6201, 6202, 6301, 6303, 6321, 6331 through 6343, 6601, 6602, 6651, 6701, and 7207 have been processed or included in 26 CFR part 1.

The Parallel Table of Authorities and Rules, a finding aid compiled and published by the Office of the Federal Register (OFR) as a part of the CFR Index, indicates that implementing regulations for the sections cited above have been published in various parts of title 27 of the Code of Federal Regulations (CFR). There are no corresponding entries for title 26.

However, the Parallel Table is only an extract of authority citations from the CFR data base and cannot be considered a comprehensive key to the statutory basis of all regulations. An agency may have additional authority for regulations that are not listed separately in authority citations, or is carried within the text of CFR sections. Citations in regulatory text generally do not appear as entries in the Parallel Table.

Since there are 12 volumes that make up part 1 of title 26 of the CFR, it would require extensive research to answer your question with certainty. Commercial computer based services are better equipped to perform this type of research. In any case, the OFR has neither the resources nor the authority to perform the research requested, since to do so would require us to make substantive interpretations as to whether certain tax statutes have any association with the specified set of regulations (see 1 CFR 3.1 enclosed).

Your second question refers to IRS procedures for incorporating material by reference in the Federal Register. The incorporation by reference process is narrowly defined by the provisions of 5 U.S.C. 552(a) and 1 CFR Part 31. Our records indicate that the Internal Revenue Service has not incorporated by reference in the Federal Register (as that term is defined in the Federal Register system) a requirement to make an income tax return.

I hope this information will be useful to you.

Sincerely,

*Michael L. White*

MICHAEL L. WHITE  
Attorney  
Office of the Federal Register

Enclosure

Exhibit 14.0



# UNITED STATES CODE

2000 EDITION

CONTAINING THE GENERAL AND PERMANENT LAWS  
OF THE UNITED STATES, IN FORCE  
ON JANUARY 2, 2001

Prepared and published under authority of Title 2, U.S. Code, Section 285b,  
by the Office of the Law Revision Counsel of the House of Representatives



VOLUME TWENTY-FIVE

TITLE 43—PUBLIC LANDS  
TO  
TITLE 46—SHIPPING

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 2001

*Exhibit 14.1*

## HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., § 289 (Jan. 12, 1895, ch. 23, § 73, 28 Stat. 616).

**[§ 1342. Repealed. Pub. L. 104-127, title IV, § 384, Apr. 4, 1996, 110 Stat. 1016]**

Section, Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1272, related to reports and congressional allotments for soil area surveys.

**§ 1343. Statistical Abstract of the United States**

In addition to the usual number of the Statistical Abstract of the United States, twelve thousand copies shall be printed: three thousand for the Senate, six thousand for the House of Representatives, and three thousand for distribution by the Secretary of Commerce.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1273.)

## HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., § 291 (Jan. 12, 1895, ch. 23, § 73, 28 Stat. 616; Aug. 23, 1912, ch. 350, § 1, 37 Stat. 407; 1950 Reorg. Plan No. 5, §§ 1, 2, eff. May 24, 1950, 15 F.R. 3174, 64 Stat. 1263).

**§ 1344. Treasury Department: reports**

In addition to the usual number of the finance report of the Secretary of the Treasury, one thousand copies for the Senate and two thousand for the House of Representatives shall be printed in addition to those published as part of the departmental report.

In addition to the usual number of the annual report of the Comptroller of the Currency, thirteen thousand copies shall be printed: one thousand for the Senate, two thousand for the House of Representatives, and ten thousand for distribution by the Comptroller of the Currency.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1273.)

## HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., § 295 (Jan. 12, 1895, ch. 23, § 73, 28 Stat. 616; Mar. 4, 1907, No. 25, 34 Stat. 1425).

**CHAPTER 15—FEDERAL REGISTER AND CODE OF FEDERAL REGULATIONS**

Sec.	
1501.	Definitions.
1502.	Custody and printing of Federal documents; appointment of Director.
1503.	Filing documents with Office; notation of time; public inspection; transmission for printing.
1504.	"Federal Register"; printing; contents; distribution; price.
1505.	Documents to be published in Federal Register.
1506.	Administrative Committee of the Federal Register; establishment and composition; powers and duties.
1507.	Filing document as constructive notice; publication in Federal Register as presumption of validity; judicial notice; citation.
1508.	Publication in Federal Register as notice of hearing.
1509.	Costs of publication, etc.
1510.	Code of Federal Regulations.
1511.	International agreements excluded from provisions of chapter.

## AMENDMENTS

1977—Pub. L. 95-94, title IV, § 408(a)(2), Aug. 5, 1977, 91 Stat. 633, substituted "Costs of publication, etc." for

"Cost of publication; appropriations authorized; penalty mail privilege" in item 1509.

**FEDERAL RECORDS MANAGEMENT PROVISIONS WITHOUT EFFECT ON CHAPTER**

Authority and responsibilities under chapter not limited or repealed by Federal Records Management Amendments of 1976, see section 5(b) of Pub. L. 94-575, set out as a note under section 2901 of this title.

## CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in title 15 sections 77sss, 80a-38.

**§ 1501. Definitions**

As used in this chapter, unless the context otherwise requires—

"document" means a Presidential proclamation or Executive order and an order, regulation, rule, certificate, code of fair competition, license, notice, or similar instrument, issued, prescribed, or promulgated by a Federal agency;

"Federal agency" or "agency" means the President of the United States, or an executive department, independent board, establishment, bureau, agency, institution, commission, or separate office of the administrative branch of the Government of the United States but not the legislative or judicial branches of the Government;

"person" means an individual, partnership, association, or corporation; and

"National Archives of the United States" has the same meaning as in section 2901(11) of this title.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1273; Pub. L. 98-497, title I, § 107(b)(2), Oct. 19, 1984, 98 Stat. 2286.)

## HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., § 304 (July 26, 1935, ch. 417, § 4, 49 Stat. 501).

## AMENDMENTS

1984—Pub. L. 98-497 inserted definition of "National Archives of the United States".

## EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-497 effective Apr. 1, 1985, see section 301 of Pub. L. 98-497, set out as a note under section 2102 of this title.

**§ 1502. Custody and printing of Federal documents; appointment of Director**

The Archivist of the United States, acting through the Office of the Federal Register, is charged with the custody and, together with the Public Printer, with the prompt and uniform printing and distribution of the documents required or authorized to be published by section 1505 of this title. There shall be at the head of the Office a director, appointed by, and who shall act under the general direction of, the Archivist of the United States in carrying out this chapter and the regulations prescribed under it.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1273; Pub. L. 98-497, title I, § 107(b)(3), Oct. 19, 1984, 98 Stat. 2287.)

## HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., § 301 (July 26, 1935, ch. 417, § 1, 49 Stat. 500; 1939 Reorg. Plan No. II, § 202, eff.

*Exhibit 14.2*

July 1, 1939, 4 F.R. 2732, 53 Stat. 1435; June 30, 1949, ch. 288, title I, §104(a), 63 Stat. 381).

AMENDMENTS

1984—Pub. L. 98-497 substituted "Archivist of the United States" for "Administrator of General Services" wherever appearing.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-497 effective Apr. 1, 1985, see section 301 of Pub. L. 98-497, set out as a note under section 2102 of this title.

**§ 1503. Filing documents with Office; notation of time; public inspection; transmission for printing**

The original and two duplicate originals or certified copies of a document required or authorized to be published by section 1505 of this title shall be filed with the Office of the Federal Register, which shall be open for that purpose during all hours of the working days when the National Archives Building is open for official business. The Archivist of the United States shall cause to be noted on the original and duplicate originals or certified copies of each document the day and hour of filing. When the original is issued, prescribed, or promulgated outside the District of Columbia, and certified copies are filed before the filing of the original, the notation shall be of the day and hour of filing of the certified copies. Upon filing, at least one copy shall be immediately available for public inspection in the Office. The original shall be retained by the National Archives and Records Administration and shall be available for inspection under regulations prescribed by the Archivist, unless such original is disposed of in accordance with disposal schedules submitted by the Administrative Committee of the Federal Register and authorized by the Archivist pursuant to regulations issued under chapter 33 of this title; however, originals of proclamations of the President and Executive orders shall be permanently retained by the Administration as part of the National Archives of the United States. The Office shall transmit immediately to the Government Printing Office for printing, as provided by this chapter, one duplicate original or certified copy of each document required or authorized to be published by section 1505 of this title. Every Federal agency shall cause to be transmitted for filing the original and the duplicate originals or certified copies of all such documents issued, prescribed, or promulgated by the agency.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1274; Pub. L. 95-440, §2, Oct. 10, 1978, 92 Stat. 1063; Pub. L. 98-497, title I, §107(b)(4), Oct. 19, 1984, 98 Stat. 2287.)

HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., §302 (July 26, 1935, ch. 417, §2, 49 Stat. 500; June 30, 1949, ch. 288, title I, §104(a), 63 Stat. 381).

AMENDMENTS

1984—Pub. L. 98-497 substituted "Archivist of the United States" for "Administrator of General Services", "National Archives and Records Administration" for "General Services Administration", and "Archivist" for "Administrator" wherever appearing.

1978—Pub. L. 95-440 substituted provision for retention of original documents by the General Services Administration for prior provision for retention in the archives of the National Archives and inserted provisions dispensing with such retention when disposals are made in accordance with disposal schedules and requiring retention of original proclamations of the President and Executive orders as part of the National Archives.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-497 effective Apr. 1, 1985, see section 301 of Pub. L. 98-497, set out as a note under section 2102 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1504, 1506, 1507 of this title.

**§ 1504. "Federal Register"; printing; contents; distribution; price**

Documents required or authorized to be published by section 1505 of this title shall be printed and distributed immediately by the Government Printing Office in a serial publication designated the "Federal Register." The Public Printer shall make available the facilities of the Government Printing Office for the prompt printing and distribution of the Federal Register in the manner and at the times required by this chapter and the regulations prescribed under it. The contents of the daily issues shall be indexed and shall comprise all documents, required or authorized to be published, filed with the Office of the Federal Register up to the time of the day immediately preceding the day of distribution fixed by regulations under this chapter. There shall be printed with each document a copy of the notation, required to be made by section 1503 of this title, of the day and hour when, upon filing with the Office, the document was made available for public inspection. Distribution shall be made by delivery or by deposit at a post office at a time in the morning of the day of distribution fixed by regulations prescribed under this chapter. The prices to be charged for the Federal Register may be fixed by the Administrative Committee of the Federal Register established by section 1506 of this title without reference to the restrictions placed upon and fixed for the sale of Government publications by sections 1705 and 1708 of this title.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1274.)

HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964, ed., §303 (July 26, 1935, ch. 417, §3, 49 Stat. 500).

**§ 1505. Documents to be published in Federal Register**

(a) PROCLAMATIONS AND EXECUTIVE ORDERS; DOCUMENTS HAVING GENERAL APPLICABILITY AND LEGAL EFFECT; DOCUMENTS REQUIRED TO BE PUBLISHED BY CONGRESS. There shall be published in the Federal Register—

(1) Presidential proclamations and Executive orders, except those not having general applicability and legal effect or effective only against Federal agencies or persons in their capacity as officers, agents, or employees thereof;

(2) documents or classes of documents that the President may determine from time to

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time have general applicability and legal effect; and

(3) documents or classes of documents that may be required so to be published by Act of Congress.

For the purposes of this chapter every document or order which prescribes a penalty has general applicability and legal effect.

(b) DOCUMENTS AUTHORIZED TO BE PUBLISHED BY REGULATIONS; COMMENTS AND NEWS ITEMS EXCLUDED. In addition to the foregoing there shall also be published in the Federal Register other documents or classes of documents authorized to be published by regulations prescribed under this chapter with the approval of the President, but comments or news items of any character may not be published in the Federal Register.

(c) SUSPENSION OF REQUIREMENTS FOR FILING OF DOCUMENTS; ALTERNATE SYSTEMS FOR PROMULGATING, FILING, OR PUBLISHING DOCUMENTS; PRESERVATION OF ORIGINALS. In the event of an attack or threatened attack upon the continental United States and a determination by the President that as a result of an attack or threatened attack—

(1) publication of the Federal Register or filing of documents with the Office of the Federal Register is impracticable, or

(2) under existing conditions publication in the Federal Register would not serve to give appropriate notice to the public of the contents of documents, the President may, without regard to any other provision of law, suspend all or part of the requirements of law or regulation for filing with the Office or publication in the Federal Register of documents or classes of documents.

The suspensions shall remain in effect until revoked by the President, or by concurrent resolution of the Congress. The President shall establish alternate systems for promulgating, filing, or publishing documents or classes of documents affected by such suspensions, including requirements relating to their effectiveness or validity, that may be considered under the then existing circumstances practicable to provide public notice of the issuance and of the contents of the documents. The alternate systems may, without limitation, provide for the use of regional or specialized publications or depositories for documents, or of the press, the radio, or similar mediums of general communication. Compliance with alternate systems of filing or publication shall have the same effect as filing with the Office or publication in the Federal Register under this chapter or other law or regulation. With respect to documents promulgated under alternate systems, each agency shall preserve the original and two duplicate originals or two certified copies for filing with the Office when the President determines that it is practicable.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1274.)

#### HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964, ed., § 305 (July 26, 1935, ch. 417, § 5, 49 Stat. 501; June 25, 1956, ch. 444, 70 Stat. 337).

#### DELEGATION OF FUNCTIONS

For delegation of functions vested in President by section 5(a) of Federal Register Act [now subsec. (a) of

this section], to Attorney General and Archivist of United States, see section 6(a) of Ex. Ord. No. 10530, May 11, 1954, 19 F.R. 2709, as amended, set out as a note under section 301 of Title 3, The President. See, also, section 103(b)(1) of Pub. L. 98-497, set out as a note under section 2102 of this title.

#### EX. ORD. NO. 11030. PREPARATION, PRESENTATION, FILING, AND PUBLICATION OF EXECUTIVE ORDERS AND PROCLAMATIONS

Ex. Ord. No. 11030, June 19, 1962, 27 F.R. 5847, as amended by Ex. Ord. 11354, May 23, 1967, 32 F.R. 7695; Ex. Ord. No. 12080, Sept. 18, 1978, 43 F.R. 42235; Ex. Ord. No. 12608, Sept. 9, 1987, 52 F.R. 34617, provided:

By virtue of the authority vested in me by the Federal Register Act (49 Stat. 500, as amended; 44 U.S.C. 301 *et seq.*) [now this chapter], and as President of the United States, I hereby prescribe the following regulations governing the preparation, presentation, filing, and publication of Executive orders and proclamations:

SECTION 1. *Form.* Proposed Executive orders and proclamations shall be prepared in accordance with the following requirements:

(a) The order or proclamation shall be given a suitable title.

(b) The order or proclamation shall contain a citation of the authority under which it is issued.

(c) Punctuation, capitalization, spelling, and other matters of style shall, in general, conform to the most recent edition of the Style Manual of the United States Government Printing Office.

(d) The spelling of geographic names shall conform to the decisions of the Board on Geographic Names, established by Section 2 of the Act of July 25, 1947, 61 Stat. 456 (43 U.S.C. 364a).

(e) Descriptions of tracts of land shall conform, so far as practicable, to the most recent edition of the "Specifications for Descriptions of Tracts of Land for Use in Executive Orders and Proclamations," prepared by the Bureau of Land Management, Department of the Interior.

(f) Proposed Executive orders and proclamations shall be typewritten on paper approximately 8 x 13 inches, shall have a left-hand margin of approximately 1½ inches and a right-hand margin of approximately 1 inch, and shall be double-spaced, except that quotations, tabulations, and descriptions of land may be single-spaced.

(g) Proclamations issued by the President shall conclude with the following described recitation—

IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, in the year of our lord \_\_\_\_\_, and of the Independence of the United States of America, the

SEC. 2. *Routing and approval of drafts.* (a) A proposed Executive order or proclamation shall first be submitted, with seven copies thereof, to the Director of the Office of Management and Budget, together with a letter, signed by the head or other properly authorized officer of the originating Federal agency, explaining the nature, purpose, background, and effect of the proposed Executive order or proclamation and its relationship, if any, to pertinent laws and other Executive orders or proclamations.

(b) If the Director of the Office of Management and Budget approves the proposed Executive order or proclamation, he shall transmit it to the Attorney General for his consideration as to both form and legality.

(c) If the Attorney General approves the proposed Executive order or proclamation, he shall transmit it to the Director of the Office of the Federal Register, National Archives and Records Administration: *Provided*, that in cases involving sufficient urgency the Attorney General may transmit it directly to the President; and *provided further*, that the authority vested in the Attorney General by this section may be delegated by him, in whole or in part, to the Deputy Attorney General, Solicitor General, or to such Assistant Attorney General as he may designate.

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(d) After determining that the proposed Executive order or proclamation conforms to the requirements of Section 1 of this order and is free from typographical or clerical errors, the Director of the Office of the Federal Register shall transmit it and three copies thereof to the President.

(e) If the proposed Executive order or proclamation is disapproved by the Director of the Office of Management and Budget or by the Attorney General, it shall not thereafter be presented to the President unless it is accompanied by a statement of the reasons for such disapproval.

**SEC. 3. Routing and certification of originals and copies.**

(a) If the order or proclamation is signed by the President, the original and two copies thereof shall be forwarded to the Director of the Office of the Federal Register for publication in the FEDERAL REGISTER.

(b) The Office of the Federal Register shall cause to be placed upon the copies of all Executive orders and proclamations forwarded as provided in subsection (a) of this section the following notation, to be signed by the Director or by some person authorized by him to sign such notation: "Certified to be a true copy of the original."

**SEC. 4. Proclamations calling for the observance of special days or events.** Except as may be otherwise provided by law, responsibility for the preparation and presentation of proposed proclamations calling for the observance of special days, or other periods of time, or events shall be assigned by the Director of the Office of Management and Budget to such agencies as he may consider appropriate. Such proposed proclamations shall be submitted to the Director at least sixty days before the date of the specified observance. Notwithstanding the provisions of Section 2, the Director shall transmit any approved commemorative proclamations to the President.

**SEC. 5. Proclamations of treaties excluded.** Consonant with the provisions of section 12 of the Federal Register Act (49 Stat. 503; 44 U.S.C. 1511), nothing in this order shall be construed to apply to treaties, conventions, protocols, or other international agreements, or proclamations thereof by the President.

**SEC. 6. Definition.** The term "Presidential proclamations and Executive orders," as used in Section 5(a) of the Federal Register Act (44 U.S.C. 1505(a)), shall, except as the President or his representative may hereafter otherwise direct, be deemed to include such attachments thereto as are referred to in the respective proclamations or orders.

**SEC. 7. Prior order.** Upon its publication in the FEDERAL REGISTER, this order shall supersede Executive Order No. 10006 of October 9, 1948.

The regulations prescribed by this order shall be codified under Title 1 of the Code of Federal Regulations.

**SECTION REFERRED TO IN OTHER SECTIONS**

This section is referred to in sections 1502-1504, 1506, 1507 of this title.

**§ 1506. Administrative Committee of the Federal Register; establishment and composition; powers and duties**

The Administrative Committee of the Federal Register shall consist of the Archivist of the United States or Acting Archivist, who shall be chairman, an officer of the Department of Justice designated by the Attorney General, and the Public Printer or Acting Public Printer. The Director of the Federal Register shall act as secretary of the committee. The committee shall prescribe, with the approval of the President, regulations for carrying out this chapter. The regulations shall provide, among other things—

(1) the manner of certification of copies required to be certified under section 1503 of this title, which certification may be permitted to

be based upon confirmed communications from outside the District of Columbia:

(2) the documents which shall be authorized under section 1505(b) of this title to be published in the Federal Register;

(3) the manner and form in which the Federal Register shall be printed, reprinted, and compiled, indexed, bound, and distributed;

(4) the number of copies of the Federal Register, which shall be printed, reprinted, and compiled, the number which shall be distributed without charge to Members of Congress, officers and employees, of the United States, or Federal agency, for official use, and the number which shall be available for distribution to the public; and

(5) the prices to be charged for individual copies of, and subscriptions to, the Federal Register and reprints and bound volumes of it.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1275; Pub. L. 98-497, title I, §107(b)(5), Oct. 19, 1984, 98 Stat. 2287.)

**HISTORICAL AND REVISION NOTES**

Based on 44 U.S. Code, 1964 ed., §§306, 391 (part) (July 26, 1935, ch. 417, §6, 49 Stat. 501; June 30, 1949, ch. 288, title I, §104, 63 Stat. 381).

This section incorporates only the last sentence from former section 391(b). The remainder of that section will be found in sections 2102, 2301, 2501, and 2902 of the revision.

**AMENDMENTS**

1984—Pub. L. 98-497 struck out "The authority of the Administrator of General Services, under section 754 of title 40, to regroup, transfer, and distribute functions within the General Services Administration, does not extend to the Committee or its functions."

**EFFECTIVE DATE OF 1984 AMENDMENT**

Amendment by Pub. L. 98-497 effective Apr. 1, 1985, see section 301 of Pub. L. 98-497, set out as a note under section 2102 of this title.

**DELEGATION OF FUNCTIONS**

For delegations of functions vested in President by section 6 of Federal Register Act [now this section], to Attorney General and Archivist of United States, see section 6(b) of Ex. Ord. No. 10530, May 11, 1954, 19 F.R. 2709, as amended, set out as a note under section 301 of Title 3, The President. See, also, section 103(b)(1) of Pub. L. 98-497, set out as a note under section 2102 of this title.

**SECTION REFERRED TO IN OTHER SECTIONS**

This section is referred to in section 1504 of this title.

**§ 1507. Filing document as constructive notice; publication in Federal Register as presumption of validity; judicial notice; citation**

A document required by section 1505(a) of this title to be published in the Federal Register is not valid as against a person who has not had actual knowledge of it until the duplicate originals or certified copies of the document have been filed with the Office of the Federal Register and a copy made available for public inspection as provided by section 1503 of this title. Unless otherwise specifically provided by statute, filing of a document, required or authorized to be published by section 1505 of this title, except in cases where notice by publication is insufficient in law, is sufficient to give notice of the con-

Exhibit 14.5

tents of the document to a person subject to or affected by it. The publication in the Federal Register of a document creates a rebuttable presumption—

(1) that it was duly issued, prescribed, or promulgated;

(2) that it was filed with the Office of the Federal Register and made available for public inspection at the day and hour stated in the printed notation;

(3) that the copy contained in the Federal Register is a true copy of the original; and

(4) that all requirements of this chapter and the regulations prescribed under it relative to the document have been complied with.

The contents of the Federal Register shall be judicially noticed and without prejudice to any other mode of citation, may be cited by volume and page number.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1276.)

#### HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., § 307 (July 26, 1935, ch. 417, § 7, 49 Stat. 502).

#### § 1508. Publication in Federal Register as notice of hearing

A notice of hearing or of opportunity to be heard, required or authorized to be given by an Act of Congress, or which may otherwise properly be given, shall be deemed to have been given to all persons residing within the States of the Union and the District of Columbia, except in cases where notice by publication is insufficient in law, when the notice is published in the Federal Register at such a time that the period between the publication and the date fixed in the notice for the hearing or for the termination of the opportunity to be heard is—

(1) not less than the time specifically prescribed for the publication of the notice by the appropriate Act of Congress; or

(2) not less than fifteen days when time for publication is not specifically prescribed by the Act, without prejudice, however, to the effectiveness of a notice of less than fifteen days where the shorter period is reasonable.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1276.)

#### HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., § 308 (July 26, 1935, ch. 417, § 8, 49 Stat. 502; June 25, 1959, Pub. L. 86-70, § 34, 73 Stat. 149; July 12, 1960, Pub. L. 86-624, § 33, 74 Stat. 421).

#### § 1509. Costs of publication, etc.

(a) The cost of printing, reprinting, wrapping, binding, and distributing the Federal Register and the Code of Federal Regulations, and, except as provided in subsection (b), other expenses incurred by the Government Printing Office in carrying out the duties placed upon it by this chapter shall be charged to the revolving fund provided in section 309. Reimbursements for such costs and expenses shall be made by the Federal agencies and credited, together with all receipts, as provided in section 309(b).

(b) The cost of printing, reprinting, wrapping, binding, and distributing all other publications of the Federal Register program, and other expenses incurred by the Government Printing Of-

fice in connection with such publications, shall be borne by the appropriations to the Government Printing Office and the appropriations are made available, and are authorized to be increased by additional sums necessary for the purposes, the increases to be based upon estimates submitted by the Public Printer.

(Pub. L. 90-620, Oct. 22, 1968, 82 Stat. 1277; Pub. L. 95-94, title IV, § 408(a)(1), Aug. 5, 1977, 91 Stat. 683.)

#### HISTORICAL AND REVISION NOTES

Based on 44 U.S. Code, 1964 ed., § 309 (July 26, 1935, ch. 417, § 9, 49 Stat. 502).

A reference to section 10 of Act June 19, 1934 is deleted because of the repeal of that section by Act June 30, 1949.

#### AMENDMENTS

1977—Pub. L. 95-94 substituted "Costs of publication, etc." for "Cost of publication; appropriations authorized; penalty mail privilege" in section catchline, added subsec. (a), designated former first paragraph as subsec. (b) and inserted provision restricting coverage to the other publications of the Federal Register program and struck out provision requiring payments for the Federal Register to be covered into the Treasury as miscellaneous receipts and former second paragraph relating to penalty mail privileges for the Federal Register.

#### EFFECTIVE DATE OF 1977 AMENDMENT

Section 408(b) of Pub. L. 95-94 provided that: "The amendments made by subsection (a) [amending this section] shall take effect on October 1, 1977."

#### § 1510. Code of Federal Regulations

(a) The Administrative Committee of the Federal Register, with the approval of the President, may require, from time to time as it considers necessary, the preparation and publication in special or supplemental editions of the Federal Register of complete codifications of the documents of each agency of the Government having general applicability and legal effect, issued or promulgated by the agency by publication in the Federal Register or by filing with the Administrative Committee, and are relied upon by the agency as authority for, or are invoked or used by it in the discharge of, its activities or functions, and are in effect as to facts arising on or after dates specified by the Administrative Committee.

(b) A codification published under subsection (a) of this section shall be printed and bound in permanent form and shall be designated as the "Code of Federal Regulations." The Administrative Committee shall regulate the binding of the printed codifications into separate books with a view to practical usefulness and economical manufacture. Each book shall contain an explanation of its coverage and other aids to users that the Administrative Committee may require. A general index to the entire Code of Federal Regulations shall be separately printed and bound.

(c) The Administrative Committee shall regulate the supplementation and the collation and republication of the printed codifications with a view to keeping the Code of Federal Regulations as current as practicable. Each book shall be either supplemented or collated and republished at least once each calendar year.

Exhibit 14.6

# UNITED STATES CODE

2000 EDITION

CONTAINING THE GENERAL AND PERMANENT LAWS  
OF THE UNITED STATES, IN FORCE  
ON JANUARY 2, 2001

Prepared and published under authority of Title 2, U.S. Code, Section 285b,  
by the Office of the Law Revision Counsel of the House of Representatives



VOLUME ONE

ORGANIC LAWS

TITLE 1—GENERAL PROVISIONS

TO

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

§§ 101–9510

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 2001

*Exhibit 14.7*

(B) recognition of a claim, right, immunity, privilege, exemption, or exception; or

(C) taking of other action on the application or petition of, and beneficial to, a person;

(12) "agency proceeding" means an agency process as defined by paragraphs (5), (7), and (9) of this section;

(13) "agency action" includes the whole or a part of an agency rule, order, license, sanction, relief, or the equivalent or denial thereof, or failure to act; and

(14) "ex parte communication" means an oral or written communication not on the public record with respect to which reasonable prior notice to all parties is not given, but it shall not include requests for status reports on any matter or proceeding covered by this subchapter.

(Pub. L. 89-554, Sept. 6, 1966, 80 Stat. 381; Pub. L. 94-409, §4(b), Sept. 13, 1976, 90 Stat. 1247; Pub. L. 103-272, §5(a), July 5, 1994, 108 Stat. 1373.)

**HISTORICAL AND REVISION NOTES**

Derivation	U.S. Code	Revised Statutes and Statutes at Large
(1) .....	5 U.S.C. 1001(a).	June 11, 1946, ch. 324, §2(a), 60 Stat. 237. Aug. 8, 1946, ch. 870, §302, 60 Stat. 918. Aug. 10, 1946, ch. 951, §601, 60 Stat. 993. Mar. 31, 1947, ch. 30, §6(a), 61 Stat. 37. June 30, 1947, ch. 163, §210, 61 Stat. 201. Mar. 30, 1948, ch. 161, §301, 62 Stat. 99. June 11, 1946, ch. 324, §2 (less (a)), 60 Stat. 237.
(2)-(13) .....	5 U.S.C. 1001 (less (a)).	June 11, 1946, ch. 324, §2 (less (a)), 60 Stat. 237.

In paragraph (1), the sentence "Nothing in this Act shall be construed to repeal delegations of authority as provided by law," is omitted as surplusage since there is nothing in the Act which could reasonably be so construed.

In paragraph (1)(G), the words "or naval" are omitted as included in "military".

In paragraph (1)(H), the words "functions which by law expire on the termination of present hostilities, within any fixed period thereafter, or before July 1, 1947" are omitted as executed. Reference to the "Selective Training and Service Act of 1940" is omitted as that Act expired Mar. 31, 1947. Reference to the "Sugar Control Extension Act of 1947" is omitted as that Act expired on Mar. 31, 1948. References to the "Housing and Rent Act of 1947, as amended" and the "Veterans' Emergency Housing Act of 1946" have been consolidated as they are related. The reference to former section 1641(b)(2) of title 50, appendix, is retained notwithstanding its repeal by §111(a)(1) of the Act of Sept. 21, 1961, Pub. L. 87-256, 75 Stat. 538, since §111(c) of the Act provides that a reference in other Acts to a provision of law repealed by §111(a) shall be considered to be a reference to the appropriate provisions of Pub. L. 87-256.

In paragraph (2), the words "of any character" are omitted as surplusage.

In paragraph (3), the words "and a person or agency admitted by an agency as a party for limited purposes" are substituted for "but nothing herein shall be construed to prevent an agency from admitting any person or agency as a party for limited purposes".

In paragraph (9), a comma is supplied between the words "limitation" and "amendment" to correct an editorial error of omission.

In paragraph (10)(C), the words "of any form" are omitted as surplusage.

Standard changes are made to conform with the definitions applicable and the style of this title as outlined in the preface to the report.

**CODIFICATION**

Section 551 of former Title 5, Executive Departments and Government Officers and Employees, was transferred to section 2242 of Title 7, Agriculture.

**AMENDMENTS**

1994—Par. (1)(H). Pub. L. 103-272 substituted "subchapter II of chapter 471 of title 49; or sections" for "or sections 1622."

1976—Par. (14). Pub. L. 94-409 added par. (14).

**EFFECTIVE DATE OF 1976 AMENDMENT**

Amendment by Pub. L. 94-409 effective 180 days after Sept. 13, 1976, see section 6 of Pub. L. 94-409, set out as an Effective Date note under section 552b of this title.

**STUDY AND REPORTS ON ADMINISTRATIVE SUBPOENAS**

Pub. L. 106-544, §7, Dec. 19, 2000, 114 Stat. 2719, provided that:

"(a) **STUDY ON USE OF ADMINISTRATIVE SUBPOENAS.**—Not later than December 31, 2001, the Attorney General, in consultation with the Secretary of the Treasury, shall complete a study on the use of administrative subpoena power by executive branch agencies or entities and shall report the findings to the Committees on the Judiciary of the Senate and the House of Representatives. Such report shall include—

"(1) a description of the sources of administrative subpoena power and the scope of such subpoena power within executive branch agencies;

"(2) a description of applicable subpoena enforcement mechanisms;

"(3) a description of any notification provisions and any other provisions relating to safeguarding privacy interests;

"(4) a description of the standards governing the issuance of administrative subpoenas; and

"(5) recommendations from the Attorney General regarding necessary steps to ensure that administrative subpoena power is used and enforced consistently and fairly by executive branch agencies.

"(b) **REPORT ON FREQUENCY OF USE OF ADMINISTRATIVE SUBPOENAS.**—

"(1) **IN GENERAL.**—The Attorney General and the Secretary of the Treasury shall report in January of each year to the Committees on the Judiciary of the Senate and the House of Representatives on the number of administrative subpoenas issued by them under this section and the identity of the agency or component of the Department of Justice or the Department of the Treasury issuing the subpoena and imposing the charges.

"(2) **EXPIRATION.**—The reporting requirement of this subsection shall terminate in 3 years after the date of the enactment of this section [Dec. 19, 2000]."

**SECTION REFERRED TO IN OTHER SECTIONS**

This section is referred to in sections 500, 504, 552, 562, 571, 592, 595, 601, 701, 804, 3344, 3348 of this title; title 2 sections 501, 502, 658, 1602; title 7 section 6997; title 15 sections 78d-1, 78w, 632, 637c, 766, 2053, 3412, 3416, 6501; title 16 section 470w; title 22 sections 3731, 6033, 6741; title 26 sections 6103, 9041; title 30 sections 185, 956; title 31 sections 3901, 6101, 7501; title 41 section 422; title 42 sections 2231, 2992c, 6107, 6241, 6393, 7191, 8259, 8262, 11317, 11504; title 46 sections 7702, 9303; title 47 sections 155, 409; title 49 sections 106, 11324; title 50 App. sections 2159, 2412.

**§ 552. Public information; agency rules, opinions, orders, records, and proceedings**

(a) Each agency shall make available to the public information as follows:

(1) Each agency shall separately state and currently publish in the Federal Register for the guidance of the public—

*Exhibit 14.8*



(A) descriptions of its central and field organization and the established places at which, the employees (and in the case of a uniformed service, the members) from whom, and the methods whereby, the public may obtain information, make submittals or requests, or obtain decisions;

(B) statements of the general course and method by which its functions are channeled and determined, including the nature and requirements of all formal and informal procedures available;

(C) rules of procedure, descriptions of forms available or the places at which forms may be obtained, and instructions as to the scope and contents of all papers, reports, or examinations;

\* (D) substantive rules of general applicability adopted as authorized by law, and statements of general policy or interpretations of general applicability formulated and adopted by the agency; and

(E) each amendment, revision, or repeal of the foregoing.

\* | Except to the extent that a person has actual and timely notice of the terms thereof, a person may not in any manner be required to resort to, or be adversely affected by, a matter required to be published in the Federal Register and not so published. For the purpose of this paragraph, matter reasonably available to the class of persons affected thereby is deemed published in the Federal Register when incorporated by reference therein with the approval of the Director of the Federal Register.

(2) Each agency, in accordance with published rules, shall make available for public inspection and copying—

(A) final opinions, including concurring and dissenting opinions, as well as orders, made in the adjudication of cases;

(B) those statements of policy and interpretations which have been adopted by the agency and are not published in the Federal Register;

(C) administrative staff manuals and instructions to staff that affect a member of the public;

(D) copies of all records, regardless of form or format, which have been released to any person under paragraph (3) and which, because of the nature of their subject matter, the agency determines have become or are likely to become the subject of subsequent requests for substantially the same records; and

(E) a general index of the records referred to under subparagraph (D);

unless the materials are promptly published and copies offered for sale. For records created on or after November 1, 1996, within one year after such date, each agency shall make such records available, including by computer telecommunications or, if computer telecommunications means have not been established by the agency, by other electronic means. To the extent required to prevent a clearly unwarranted invasion of personal privacy, an agency may delete identifying details when it makes available or publishes an opinion, statement of policy, interpretation, staff manual, instruction, or copies of

records referred to in subparagraph (D). However, in each case the justification for the deletion shall be explained fully in writing, and the extent of such deletion shall be indicated on the portion of the record which is made available or published, unless including that indication would harm an interest protected by the exemption in subsection (b) under which the deletion is made. If technically feasible, the extent of the deletion shall be indicated at the place in the record where the deletion was made. Each agency shall also maintain and make available for public inspection and copying current indexes providing identifying information for the public as to any matter issued, adopted, or promulgated after July 4, 1967, and required by this paragraph to be made available or published. Each agency shall promptly publish, quarterly or more frequently, and distribute (by sale or otherwise) copies of each index or supplements thereto unless it determines by order published in the Federal Register that the publication would be unnecessary and impracticable, in which case the agency shall nonetheless provide copies of such index on request at a cost not to exceed the direct cost of duplication. Each agency shall make the index referred to in subparagraph (E) available by computer telecommunications by December 31, 1999. A final order, opinion, statement of policy, interpretation, or staff manual or instruction that affects a member of the public may be relied on, used, or cited as precedent by an agency against a party other than an agency only if—

(1) it has been indexed and either made available or published as provided by this paragraph; or

(ii) the party has actual and timely notice of the terms thereof.

(3)(A) Except with respect to the records made available under paragraphs (1) and (2) of this subsection, each agency, upon any request for records which (i) reasonably describes such records and (ii) is made in accordance with published rules stating the time, place, fees (if any), and procedures to be followed, shall make the records promptly available to any person.

(B) In making any record available to a person under this paragraph, an agency shall provide the record in any form or format requested by the person if the record is readily reproducible by the agency in that form or format. Each agency shall make reasonable efforts to maintain its records in forms or formats that are reproducible for purposes of this section.

(C) In responding under this paragraph to a request for records, an agency shall make reasonable efforts to search for the records in electronic form or format, except when such efforts would significantly interfere with the operation of the agency's automated information system.

(D) For purposes of this paragraph, the term "search" means to review, manually or by automated means, agency records for the purpose of locating those records which are responsive to a request.

(4)(A)(i) In order to carry out the provisions of this section, each agency shall promulgate regulations, pursuant to notice and receipt of public comment, specifying the schedule of fees applicable to the processing of requests under this

Exhibit 14.9

Internal Revenue Service

Department of the Treasury

Internal Revenue Service Center Mid-Atlantic Region  
Philadelphia, Pa.

P.O. Box 245, Bensalem, Pa 19020

JOANN H. HOVERALE  
BEACHWOOD CT

Person to Contact:

Telephone Number:

Refer Reply to:

Date:

Dear Mrs. Hoverale:

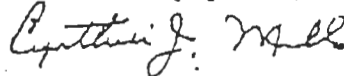
This is in response to your Privacy Act request dated December 12, 1995.

The Internal Revenue Code is not positive law, it is special law. It applies to specific persons in the United States who choose to make themselves subject to the requirements of the special laws in the Internal Revenue Code by entering into an employment agreement within the U.S. Government.

The law is that income from sources not effectively connected with the conduct of a trade or business within the U.S. Government is not subject to any tax under subtitle "A" of the Internal Revenue Code.

This concludes our response to your request.

Sincerely yours,



Cynthia J. Mills  
Disclosure Officer

Enclosure

Exhibit 15.0

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Certified Public Accountant, Bolton, MA

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WEST PUBLISHING CO.  
1990

*Exhibit 15.1*

**Port-risk.** In marine insurance, a risk upon a vessel while lying in port, and before she has taken her departure upon another voyage. *See also* Port risk insurance.

**Port toll.** The toll paid for bringing goods into a port.

**Portal-to-Portal Act.** Federal statute regulating pay for non-productive time required of employee to reach place of employment and to return in some instances.

**Port authority.** Governmental agency authorized by a state or the federal government to regulate and plan traffic through a port, and also commonly charged with responsibility of encouraging or securing businesses to locate on land or areas served by port. Sometimes such authorities also have responsibility over establishment and maintenance of airports, bridges, tollways, and surface transportation in metropolitan area of port; e.g. New York Port Authority, which is operated jointly by New York and New Jersey under an interstate compact.

**Portfolio.** In investments, the collective term for all the securities (which may consist of various types) held by one person or institution.

**Portfolio income.** Income from interest, dividends, rentals, royalties, capital gains, or other investment sources. Portfolio income is not considered passive income, therefore net passive losses cannot be used to offset net portfolio income. *See also* Passive investment income; Passive loss.

**Portio legitima** /pórsh(i)yow lājítamə/. Lat. In the civil law, the birthright portion; that portion of an inheritance to which a given heir is entitled, and of which he cannot be deprived by the will of the decedent, without special cause, by virtue merely of his relationship to the testator.

**Portion.** An allotted part; a share, a parcel; a division in a distribution; a share of an estate or the like, received by gift or inheritance. *Lecompte v. Davis' Ex'r*, 285 Ky. 433, 148 S.W.2d 292, 295. *See* Per capita; Per stirpes.

**Portion disponible.** Fr. In French law, that part of a man's estate which he may bequeath to other persons than his natural heirs. A parent leaving one legitimate child may dispose of one-half only of his property; one leaving two, one-third only; and one leaving three or more, one-fourth only; and it matters not whether the disposition is *inter vivos* or by will.

**Portoria** /portóriyə/. In the civil law, duties paid in ports on merchandise. Taxes levied in old times at city gates. Tolls for passing over bridges.

**Port risk insurance.** In contradistinction to voyage or time insurance, means insurance upon a vessel while lying in port, and before she has taken her departure on another voyage. *Bristol S.S. Corp. v. London Assur.*, D.C.N.Y., 404 F.Supp. 749, 752.

**Portsale.** In old English law, an auction; a public sale of goods to the highest bidder; also a sale of fish as soon as it is brought into the haven.

**Portus est locus in quo exportantur ewrimportantur merces** /pórtas ést lówkəs in kwów éksportántər ed ímportántər mársiyz/. A port is a place where goods are exported or imported.

**Position.** Extent of person's investment in a particular security or market.

**Position of United States.** Phrase "the position of the United States" within meaning of section of Equal Access to Justice Act (5 U.S.C.A. § 504; 28 U.S.C.A. § 2412) permitting government, when it loses a case, to avoid liability for attorney fees if it can show that its "position" was substantially justified refers to the arguments relied upon the government in litigation. *Spencer v. N.L.R.B., C.A.*, 712 F.2d 539, 547, 229 U.S.App.D.C. 225. *See also* Equal Access to Justice Act.

**Positive.** Laid down, enacted, or prescribed. Express or affirmative. Direct, absolute, explicit. As to *positive* Condition; Fraud; Proof; and Servitude, see those titles.

**Positive evidence.** Direct evidence. Eye witness testimony. Direct proof of the fact or point in issue; evidence which, if believed, establishes the truth or falsehood of a fact in issue, and does not arise from any presumption. It is distinguished from circumstantial evidence. *See also* Evidence.

**Positive law.** Law actually and specifically enacted or adopted by proper authority for the government of an organized jural society. *See also* Legislation. \*

**Positive wrong.** A wrongful act, wilfully committed. *Padgett v. Missouri Motor Distributing Corporation*, Mo., 177 S.W.2d 490, 492.

**Positivi juris** /pòzətáyvay júras/. Lat. Of positive law.

**Posito uno oppositorum, negatur alterum** /pəzish(i)yow yúwnow əpòzətórəm nəgəytər olterəm/. One of two opposite positions being affirmed, the other is denied.

**Posse** /pósiy/. Lat. A possibility. A thing is said to be *in posse* when it may possibly be; *in esse* when it actually is. Group of people acting under authority of police or sheriff and engaged in searching for a criminal or in making an arrest. Same as *Posse comitatus* (*q.v.*).

**Posse comitatus** /pósiy kòmátéytəs/. Lat. The power or force of the county. The entire population of a county above the age of fifteen, which a sheriff may summon to his assistance in certain cases, as to aid him in keeping the peace, in pursuing and arresting felons, etc. *Williams v. State*, 253 Ark. 973, 490 S.W.2d 117, 121.

**Possess.** To occupy in person; to have in one's actual and physical control; to have the exclusive detention and control of; to have and hold as property; to have a just right to; to be master of; to own or be entitled to.

Term "possess," under narcotic drug laws, means actual control, care and management of the drug. *Collini v. State*, Tex.Cr.App., 487 S.W.2d 132, 135. Defendant "possesses" controlled substance when defendant knows of substance's presence, substance is immediately accessible, and defendant exercises "dominion or control"

Exhibit 15.2

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*Exhibit 15.3*

petition and, in reliance upon such facts, seeks to challenge the plaintiff's right to recovery. *Ragsdale v. Ragsdale*, Tex.Civ.App., 520 S.W.2d 839, 842. See also *Demurrer*.

**Speaking motion.** A motion which requires consideration of matters outside the pleadings. Formerly, such motions were prohibited but under Fed.R.Civ.P. 12(b) such motions are now entertained.

**Special.** Relating to or designating a species, kind, individual, thing, or sort; designed for a particular purpose; confined to a particular purpose, object, person, or class. Unusual, extraordinary.

As to *special* Acceptance; Administration; Agent; Allocatur; Allowance; Appearance; Assessment; Assumpsit; Bail; Bailiff; Benefit; Calendar; Charge; Constable; Contract; Count; Covenant; Customs; Damage; Demurrer; Deposit; Deputy; Election; Finding; Guaranty; Guardian; Imparance; Indorsement; Injunction; Insurance; Issue; Jury; Legacy; Letter of credit; License; Limitation; Malice; Master; Meeting; Mortgage; Motion; Non est factum; Occupant; Owner; Partner; Partnership; Plea; Pleader; Pleadings; Power; Power of appointment; Privilege; Proceeding; Property; Replication; Request; Restraint of trade; Retainer; Rule; Service; Session; Statute; Stock; Tail; Term; Traverse; Trust; Verdict, and Warranty, see those titles.

**Special act.** A private statute; an act which operates only upon particular persons or private concerns. *Unity v. Burrage*, 103 U.S. 447, 454, 26 L.Ed. 405. See *Special law*.

**Special attorney or counsel.** An attorney employed by the Attorney General of the United States or of a state to assist in a particular case where the public interest so requires. 28 U.S.C.A. § 543. See also *Independent counsel*.

**Special district.** A limited governmental structure created to bypass normal borrowing limitations, to insulate certain activities from traditional political influence, to allocate functions to entities reflecting particular expertise, to provide services in otherwise unincorporated areas, or to accomplish a primarily local benefit or improvement, e.g. parks and planning, mosquito control, sewage removal.

**Special errors.** In common law pleading, special pleas in error are such as, instead of joining in error, alleging some extraneous matter as a ground of defeating the writ of error, e.g., a release of errors, expiration of the time within which error might be brought, or the like. To these, the plaintiff in error may either reply or demur.

**Special exception.** An objection to the form in which a cause of action is stated. See *Demurrer*.

Special exception to municipal zoning ordinance refers to special uses which are permissive in particular zone under ordinance and are neither nonconforming uses nor akin to a variance and refers to special use which is considered by local legislative body to be essential or desirable for welfare of community and its citizenry and

which is entirely appropriate and not essentially incompatible with basic uses in zone involved, but not at every or any location therein or without restriction or conditions being imposed on such use. *Piscitelli v. Township Committee of Scotch Plains Tp.*, 103 N.J.Super. 589, 248 A.2d 274, 277. A special exception allows property owner to put his property to use which regulations expressly permit under conditions specified in zoning regulations themselves. *W A T R, Inc. v. Zoning Bd. of Appeals of Town of Bethany*, 158 Conn. 196, 257 A.2d 818, 821.

Such use is also known as a conditional use, special permit, or special use. See *Special use permit*. Compare *Variance*.

**Special execution.** A copy of a judgment with a direction to the sheriff indorsed thereon to execute it. One that directs a levy upon some special property. See *Execution*.

**Special executor.** One whose power and office are limited, either in respect to the time or place of their exercise, or restricted to a particular portion of the decedent's estate. One only empowered by will to take charge of a limited portion of the estate, or such part as may lie in one place, or to carry on the administration only to a prescribed point. See *Executor*.

**Special facts rule.** In corporation law, as respects director's duty of disclosure when dealing with stockholders, is that where special circumstances or facts are present which make it inequitable for the director to withhold information from the stockholder, the duty to disclose arises, and concealment is fraud. *Taylor v. Wright*, 69 Cal.App.2d 371, 159 P.2d 980, 985.

**Special grand jury.** A grand jury convened to hear a particular case or series of cases involving similar crimes. 18 U.S.C.A. § 3331 *et seq.*

**Special interest groups.** Groups in society that have a special interest in common. Special interest groups generally attempt to influence government legislation to benefit their own particular group interests. See *Lobbying*.

**Special interrogatories.** Written questions on one or more issues of fact submitted to a jury. The answers to these are necessary to a verdict. Fed.R.Civ.P. 49(b).

**Specialist.** Stock broker who remains at one post of exchange where particular stocks are dealt in and executes orders of other brokers, for which he receives commission; one who specializes in limited group of stocks.

**Special jurisdiction.** A court authorized to take cognizance of only some few kinds of causes or proceedings expressly designated by statute is called a court of special or limited jurisdiction. Power of a court over only a limited type of case (e.g. Probate court) or over only property and not the person or the defendant.

**Special law.** One relating to particular persons or things; one made for individual cases or for particular places or districts; one operating upon a selected class,

Exhibit 15.4

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Exhibit 15.5

rather than upon the public generally. A private law. A law is "special" when it is different from others of the same general kind or designed for a particular purpose, or limited in range or confined to a prescribed field of action or operation. A "special law" relates to either particular persons, places, or things or to persons, places, or things which, though not particularized, are separated by any method of selection from the whole class to which the law might, but not such legislation, be applied. *Utah Farm Bureau Ins. Co. v. Utah Ins. Guaranty Ass'n*, Utah, 564 P.2d 751, 754. A special law applies only to an individual or a number of individuals out of a single class similarly situated and affected, or to a special locality. *Board of County Com'rs of Lemhi County v. Swensen*, Idaho, 80 Idaho 198, 327 P.2d 361, 362. *See also* Private bill; Private law. *Compare* General law; Public law.

**Special lien.** A special lien is in the nature of a particular lien, being a lien upon particular property. A lien which the holder can enforce only as security for the performance of a particular act or obligation and of obligations incidental thereto. *See also* Lien.

**Special matter.** In common law pleading, under a plea of the general issue, the defendant is allowed to give special matter in evidence, usually after notice to the plaintiff of the nature of such matter, thus sparing him the necessity of pleading it specially. 3 Bl.Comm. 306.

**Special permit.** *See* Special use permit.

**Special registration.** In election laws, registration for particular election only which does not entitle elector to vote at any succeeding election.

**Special session.** An extraordinary session. *See* Session.

**Specialty.** A contract under seal. *Furst v. Brady*, 375 Ill. 425, 31 N.E.2d 606, 609. A writing sealed and delivered, containing some agreement. A special contract. A writing sealed and delivered, which is given as a security for the payment of a debt, in which such debt is particularly specified. *See* Contract (*Special contract*).

For assessment purposes, a "specialty" is a building or buildings, constructed or peculiarly adapted to conduct of owner's business, which cannot be converted to general industrial use without the loss or expenditure of very substantial amounts of money. *Great Atlantic & Pac. Tea Co., Inc. v. Kiernan*, 49 A.D.2d 99, 371 N.Y.S.2d 173, 175.

**Specialty debt.** A debt due or acknowledged to be due by deed or instrument under seal. 2 Bl.Comm. 465.

**Special use permit.** Permitted exception to zoning ordinance; e.g. church, hospital, etc. A special use permit allows property owner to use his property in a way which the zoning regulations expressly permit under the conditions specified in the regulations themselves. *Shell Oil Co. v. Zoning Bd. of Appeals of Town of Bloomfield*, 156 Conn. 66, 238 A.2d 426, 428. "Special permit" and "special exception" have the same meaning and can be used interchangeably. *Beckish v. Planning and Zoning Comm. of Town of Columbia*, 162 Conn. 11,

291 A.2d 208, 210. *See also* Special exception; *Compare* Variance.

**Special use valuation.** An option which permits the executor of an estate to value, for death tax purposes, real estate used in a farming activity or in connection with a closely-held business at its current use value rather than at its most suitable or highest and best use value. Under this option, a farm would be valued at its value for farming purposes even though, for example, the property might have a higher value as a potential shopping center. In order for the executor of an estate to elect special use valuation, the conditions of I.R.C. § 2032A must be satisfied.

**Special warranty.** A covenant of "special warranty" is one the operation of which is limited to certain persons or claims. *Central Life Assur. Soc. v. Impelmans*, 13 Wash.2d 632, 126 P.2d 757, 763. A "covenant to warrant" in the habendum clause is not a general but at most a "special warranty". *New Orleans & N. E. R. R. v. Morrison*, 203 Miss. 791, 35 So.2d 68, 70. *See also* Warranty.

**Special warranty deed.** A deed in which the grantor only covenants to warrant and defend the title against claims and demands of the grantor and all persons claiming by, through and under him. In some jurisdictions, such deed is called a quitclaim deed (*q.v.*).

**Specie** /spiyshiy(iy)/. Coin of the precious metals, of a certain weight and fineness, and bearing the stamp of the government, denoting its value as currency. Metallic money; e.g. gold or silver coins.

When spoken of a contract, the expression "performance *in specie*" means strictly, or according to the exact terms. As applied to things, it signifies individuality or identity. Thus, on a bequest of a specific picture, the legatee would be said to be entitled to the delivery of the picture *in specie*; i.e., of the very thing. Whether a thing is due *in genere* or *in specie* depends, in each case, on the will of the transacting parties.

**Species** /spiyshiy(iy)z/. Lat. In the civil law, form, figure; fashion or shape. A form or shape given to materials.

**Specific.** Precisely formulated or restricted; definite; explicit; of an exact or particular nature. *People v. Thomas*, 25 Cal.2d 880, 156 P.2d 7, 17. Having a certain form or designation; observing a certain form; particular; precise; tending to specify, or to make particular, definite, limited or precise.

As to *specific* Denial; Devise; Legacy, and Performance, see those titles.

**Specifically.** In a specific manner; explicitly, particularly, definitely.

**Specificatio** /spēsafakēysh(iy)ow/. Lat. In the civil law, literally, a making of form; a giving of form to materials. That mode of acquiring property through which a person, by transforming a thing belonging to another, especially by working up his materials into a new species, becomes proprietor of the same.

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## ABOUT GOVERNMENT

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## United States Code: About

The United States Code is the codification by subject matter of the general and permanent laws of the United States based on what is printed in the Statutes at Large. It is divided by broad subjects into [50 titles](#) and published by the [Office of the Law Revision Counsel](#) of the U.S. House of Representatives.

Since 1926, the United States Code has been published every six years. In between editions, annual cumulative supplements are published in order to present the most current information. Documents are available only as ASCII text files.

*GPO Access* contains the 2000 and 1994 editions of the U.S. Code, plus annual supplements. At time, the Statutes at Large is not available on *GPO Access*.

When a section is affected by a law passed after a supplement's revision date, the header for that section includes a note that identifies the public law affecting it. In order to find the updated information, you must search the public laws databases for the referenced public law number.

The U.S. Code on *GPO Access* is the official version of the Code, however, two unofficial editions available. These are the U.S.C.A. (U.S. Code Annotated) and the U.S.C.S. (U.S. Code Service). The U.S.C.A. and U.S.C.S. contain everything that is printed in the official U.S. Code but also include annotations to case law relevant to the particular statute. While these unofficial versions may be more current, they are not official and not available from the U.S. Government Printing Office.

**\* NOTE:** Of the 50 titles, only 23 have been enacted into positive (statutory) law. These titles are 1, 3, 4, 5, 9, 10, 11, 13, 14, 17, 18, 23, 28, 31, 32, 35, 36, 37, 38, 39, 44, 46, and 49. When a title of the Code was enacted into positive law, the text of the title became legal evidence of the law. Titles that have not been enacted into positive law are only *prima facie* evidence of the law. In that case, the Statutes at Large still govern.

The U.S. Code does not include regulations issued by executive branch agencies, decisions of the Federal courts, treaties, or laws enacted by State or local governments. Regulations issued by executive branch agencies are available in the Code of Federal Regulations. Proposed and recent adopted regulations may be found in the Federal Register.

A service of the U.S. Government Printing Office.

Last updated: September 27, 2003

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# Office of the Law Revision Counsel

## About the Office and the United States Code

The Office of the Law Revision Counsel of the U.S. House of Representatives prepares and publishes the United States Code pursuant to section 285b of title 2 of the Code. The Code is a consolidation and codification by subject matter of the general and permanent laws of the United States.

The Code does not include regulations issued by executive branch agencies, decisions of the Federal courts, treaties, or laws enacted by State or local governments. Regulations issued by executive branch agencies are available in the Code of Federal Regulations. Proposed and recently adopted regulations may be found in the Federal Register.

Certain titles of the Code have been enacted into positive law, and pursuant to section 204 of title 1 of the Code, the text of those titles is legal evidence of the law contained in those titles. The other titles of the Code are prima facie evidence of the laws contained in those titles. The following titles of the Code have been enacted into positive law: 1, 3, 4, 5, 9, 10, 11, 13, 14, 17, 18, 23, 28, 31, 32, 35, 36, 37, 38, 39, 40, 44, 46, and 49.

\*

*Title 26 is missing.*

Titles 1 through 20 are based on Supplement III of the 2000 edition (January 19, 2004) of the Code. Titles 21 through 50 Appendix, Tables I-VII and the Table of Popular Names and are based on Supplement II of the 2000 edition (January 6, 2003) of the Code. The Organic Laws are based on the 2000 edition (January 2, 2001) of the Code. Each section of the Code database contains a date in the top-right corner indicating that laws enacted as of that date and affecting that section are included in the text of that section. When a search is made for a specific section of the Code, as opposed to a search for certain words appearing in the Code, the hit list will include an "Update" item listing any amendments not already reflected in the text of that section.

The Classification Tables include Public Law 108-1 through Public Law 109-40, approved July 28, 2005. The

*Exhibit 17.0*

# UNITED STATES CODE

2000 EDITION

CONTAINING THE GENERAL AND PERMANENT LAWS  
OF THE UNITED STATES, IN FORCE  
ON JANUARY 2, 2001

Prepared and published under authority of Title 2, U.S. Code, Section 285b,  
by the Office of the Law Revision Counsel of the House of Representatives



VOLUME ONE

ORGANIC LAWS

TITLE 1—GENERAL PROVISIONS

TO

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

§§ 101–9510

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 2001

*Exhibit 17.2*

## TITLES OF UNITED STATES CODE

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- |  |   |
|--|---|
| *1. General Provisions.                                  | 27. Intoxicating Liquors.   |
| 2. The Congress.   | *28. Judiciary and Judicial Procedure; and Appendix.                    |
| *3. The President.                                       | 29. Labor.  |
| *4. Flag and Seal, Seat of Government, and the States.   | 30. Mineral Lands and Mining.   |
| *5. Government Organization and Employees; and Appendix. | *31. Money and Finance.   |
| †6. [Surety Bonds.]                                      | *32. National Guard.  |
| 7. Agriculture.  | 33. Navigation and Navigable Waters.                                    |
| 8. Aliens and Nationality.                               | ‡34. [Navy.]  |
| *9. Arbitration.   | *35. Patents.   |
| *10. Armed Forces; and Appendix.                         | *36. Patriotic and National Observances, Ceremonies, and Organizations. |
| *11. Bankruptcy; and Appendix.                           | *37. Pay and Allowances of the Uniformed Services.                      |
| 12. Banks and Banking.                                   | *38. Veterans' Benefits; and Appendix.                                  |
| *13. Census.   | *39. Postal Service.  |
| *14. Coast Guard.  | 40. Public Buildings, Property, and Works; and Appendix.                |
| 15. Commerce and Trade.                                  | 41. Public Contracts.   |
| 16. Conservation.  | 42. The Public Health and Welfare.                                      |
| *17. Copyrights.   | 43. Public Lands.   |
| *18. Crimes and Criminal Procedure; and Appendix.        | *44. Public Printing and Documents.                                     |
| 19. Customs Duties.                                      | 45. Railroads.  |
| 20. Education.   | *46. Shipping; and Appendix.  |
| 21. Food and Drugs.                                      | 47. Telegraphs, Telephones, and Radiotelegraphs.                        |
| 22. Foreign Relations and Intercourse.                   | 48. Territories and Insular Possessions.                                |
| *23. Highways.   | *49. Transportation.  |
| 24. Hospitals and Asylums.                               | 50. War and National Defense; and Appendix.                             |
| 25. Indians.   |   |
| 26. Internal Revenue Code; and Appendix.                 |   |

\*This title has been enacted as positive law. However, any Appendix to this title has not been enacted as positive law.

†This title was repealed by the enactment of Title 31.

‡This title was eliminated by the enactment of Title 10.

# UNITED STATES CODE

2000 EDITION

CONTAINING THE GENERAL AND PERMANENT LAWS  
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VOLUME ONE

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TITLE 1—GENERAL PROVISIONS

TO

TITLE 5—GOVERNMENT ORGANIZATION AND EMPLOYEES

§§ 101-9510

UNITED STATES  
GOVERNMENT PRINTING OFFICE  
WASHINGTON : 2001

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## EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98-497 effective Apr. 1, 1985, see section 301 of Pub. L. 98-497, set out as a note under section 2102 of Title 44, Public Printing and Documents.

## SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 208 of this title.

**§ 202. Preparation and publication of Codes and Supplements**

There shall be prepared and published under the supervision of the Committee on the Judiciary of the House of Representatives—

(a) Cumulative Supplements to Code of Laws of United States for each session of Congress.—A supplement for each session of the Congress to the then current edition of the Code of Laws of the United States, cumulatively embracing the legislation of the then current supplement, and correcting errors in such edition and supplement;

(b) Cumulative Supplement to District of Columbia Code for each session of Congress.—A supplement for each session of the Congress to the then current edition of the Code of the District of Columbia, cumulatively embracing the legislation of the then current supplement, and correcting errors in such edition and supplement;

(c) New editions of Codes and Supplements.—New editions of the Code of Laws of the United States and of the Code of the District of Columbia, correcting errors and incorporating the then current supplement. In the case of each code new editions shall not be published oftener than once in each five years. Copies of each such edition shall be distributed in the same manner as provided in the case of supplements to the code of which it is a new edition. Supplements published after any new edition shall not contain the legislation of supplements published before such new edition.

(July 30, 1947, ch. 388, 61 Stat. 637.)

## CROSS REFERENCES

Council of the District of Columbia, functions respecting, see section 2 of Pub. L. 94-386, Aug. 14, 1976, 90 Stat. 1170, set out as a note under section 285b of Title 2, The Congress.

Office of the Law Revision Counsel, functions respecting preparation, revision, publication, etc., see section 285b of Title 2.

## SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 201, 205, 208, 209, 210, 211, 213 of this title.

**§ 203. District of Columbia Code; preparation and publication; cumulative supplements**

The Committee on the Judiciary of the House of Representatives is authorized to print bills to codify, revise, and reenact the general and permanent laws relating to the District of Columbia and cumulative supplements thereto, similar in style, respectively, to the Code of Laws of the United States, and supplements thereto, and to so continue until final enactment thereof in both Houses of the Congress of the United States.

(July 30, 1947, ch. 388, 61 Stat. 638.)

## COMMISSION ON REVISION OF THE CRIMINAL LAWS OF THE DISTRICT OF COLUMBIA

Pub. L. 90-226, title X, Dec. 27, 1967, 81 Stat. 742, provided for creation and operation of a commission to study and make recommendations with reference to a revised code of criminal law and procedure for the District of Columbia, prior to repeal by Pub. L. 91-358, title VI, § 601, July 29, 1970, 84 Stat. 667, as amended by Pub. L. 91-530, § 2(b)(1), Dec. 7, 1970, 84 Stat. 1390.

## CROSS REFERENCES

Council of the District of Columbia, functions respecting, see section 2 of Pub. L. 94-386, Aug. 14, 1976, 90 Stat. 1170, set out as a note under section 285b of Title 2, The Congress.

Office of the Law Revision Counsel, functions respecting, see section 285b of Title 2.

## SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 201, 205, 208, 209, 210, 211, 213 of this title.

**§ 204. Codes and Supplements as evidence of the laws of United States and District of Columbia; citation of Codes and Supplements**

In all courts, tribunals, and public offices of the United States, at home or abroad, of the District of Columbia, and of each State, Territory, or insular possession of the United States—

(a) United States Code.—The matter set forth in the edition of the Code of Laws of the United States current at any time shall, together with the then current supplement, if any, establish prima facie the laws of the United States, general and permanent in their nature, in force on the day preceding the commencement of the session following the last session the legislation of which is included: *Provided, however,* That whenever titles of such Code shall have been enacted into positive law the text thereof shall be legal evidence of the laws therein contained, in all the courts of the United States, the several States, and the Territories and insular possessions of the United States.

(b) District of Columbia Code.—The matter set forth in the edition of the Code of the District of Columbia current at any time shall, together with the then current supplement, if any, establish prima facie the laws, general and permanent in their nature, relating to or in force in the District of Columbia on the day preceding the commencement of the session following the last session the legislation of which is included, except such laws as are of application in the District of Columbia by reason of being laws of the United States general and permanent in their nature.

(c) District of Columbia Code; citation.—The Code of the District of Columbia may be cited as "D.C. Code".

(d) Supplements to Codes; citation.—Supplements to the Code of Laws of the United States and to the Code of the District of Columbia may be cited, respectively, as "U.S.C., Sup. ", and "D.C. Code, Sup. ", the blank in each case being filled with Roman figures denoting the number of the supplement.

(e) New edition of Codes; citation.—New editions of each of such codes may be cited, respectively, as "U.S.C., ed.", and "D.C. Code, ed.", the blank in each case being filled with figures denoting the last year the legislation of which is included in whole or in part.

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AL LAWS OF

(July 30, 1947, ch. 388, 61 Stat. 638.)

UNITED STATES CODE TITLES AS POSITIVE LAW

The following titles of the United States Code were enacted into positive law by the acts enumerated below:

Title 1. General Provisions—Act July 30, 1947, ch. 388, § 1, 61 Stat. 633.

Title 3. The President—Act June 25, 1948, ch. 644, § 1, 62 Stat. 672.

Title 4. Flag and Seal, Seat of Government, and the States—Act July 30, 1947, ch. 389, § 1, 61 Stat. 641.

Title 5. Government Organization and Employees—Pub. L. 89-554, § 1, Sept. 6, 1966, 80 Stat. 378.

Title 6. Surety Bonds—Act July 30, 1947, ch. 390, § 1, 61 Stat. 646, as amended June 6, 1972, Pub. L. 92-310, title II, § 203(4), 86 Stat. 202, and repealed Sept. 13, 1982, Pub. L. 97-258, § 5(b), 96 Stat. 1068, 1085. See, now, Title 31, Money and Finance.

Title 9. Arbitration—Act July 30, 1947, ch. 392, § 1, 61 Stat. 669.

Title 10. Armed Forces—Act Aug. 10, 1956, ch. 1041, § 1, 70A Stat. 1.

Title 11. Bankruptcy—Pub. L. 95-598, title I, § 101, Nov. 6, 1978, 92 Stat. 2549.

Title 13. Census—Act Aug. 31, 1954, ch. 1158, 68 Stat. 1012.

Title 14. Coast Guard—Act Aug. 4, 1949, ch. 393, § 1, 63 Stat. 495.

Title 17. Copyrights—Act July 30, 1947, ch. 391, § 1, 61 Stat. 652, as amended Oct. 19, 1976, Pub. L. 94-553, title I, § 101, 90 Stat. 2541.

Title 18. Crimes and Criminal Procedure—Act June 25, 1948, ch. 645, § 1, 62 Stat. 683.

Title 23. Highways—Pub. L. 85-767, § 1, Aug. 27, 1958, 72 Stat. 885.

Title 28. Judiciary and Judicial Procedure—Act June 25, 1948, ch. 646, § 1, 62 Stat. 869.

Title 31. Money and Finance—Pub. L. 97-258, § 1, Sept. 13, 1982, 96 Stat. 877.

Title 32. National Guard—Act Aug. 10, 1956, ch. 1041, § 2, 70A Stat. 596.

Title 34. Navy—See Title 10, Armed Forces.

Title 35. Patents—Act July 19, 1952, ch. 950, § 1, 66 Stat. 792.

Title 36. Patriotic and National Observances, Ceremonies, and Organizations—Pub. L. 105-225, § 1, Aug. 12, 1998, 112 Stat. 1253.

Title 37. Pay and Allowances of the Uniformed Services—Pub. L. 87-649, § 1, Sept. 7, 1962, 76 Stat. 451.

Title 38. Veterans' Benefits—Pub. L. 85-857, § 1, Sept. 2, 1958, 72 Stat. 1105.

Title 39. Postal Service—Pub. L. 86-682, § 1, Sept. 2, 1960, 74 Stat. 578, as revised Pub. L. 91-375, § 2, Aug. 12, 1970, 84 Stat. 719.

Title 44. Public Printing and Documents—Pub. L. 90-620, § 1, Oct. 22, 1968, 82 Stat. 1238.

Title 46. Shipping—Pub. L. 98-89, § 1, Aug. 26, 1983, 97 Stat. 500; Pub. L. 99-509, title V, subtitle B, § 5101, Oct. 21, 1986, 100 Stat. 1913; Pub. L. 100-710, title I, § 102, Nov. 23, 1988, 102 Stat. 4739.

Title 49. Transportation—Pub. L. 95-473, § 1, Oct. 17, 1978, 92 Stat. 1337; Pub. L. 97-449, § 1, Jan. 12, 1983, 96 Stat. 2413; Pub. L. 103-272, § 1, July 5, 1994, 108 Stat. 745.

TITLE 26, INTERNAL REVENUE CODE

The Internal Revenue Code of 1954 was enacted in the form of a separate code by act Aug. 16, 1954, ch. 736, 68A Stat. 1. Pub. L. 99-514, § 2(a), Oct. 22, 1986, 100 Stat. 2095, provided that the Internal Revenue Title enacted Aug. 16, 1954, as heretofore, hereby, or hereafter amended, may be cited as the "Internal Revenue Code of 1986". The sections of Title 26, United States Code, are identical to the sections of the Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 208 of this title.

§ 205. Codes and Supplement; where printed; form and style; ancillaries

The publications provided for in sections 202, 203 of this title shall be printed at the Govern-

ment Printing Office and shall be in such form and style and with such ancillaries as may be prescribed by the Committee on the Judiciary of the House of Representatives. The Librarian of Congress is directed to cooperate with such committee in the preparation of such ancillaries. Such publications shall be furnished with such thumb insets<sup>1</sup> and other devices to distinguish parts, with such facilities for the insertion of additional matter, and with such explanatory and advertising slips, and shall be printed on such paper and bound in such material, as may be prescribed by such committee.

(July 30, 1947, ch. 388, 61 Stat. 639.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 208 of this title; title 44 section 707.

§ 206. Bills and resolutions of Committee on the Judiciary of House of Representatives; form and style; ancillaries; curtailment of copies

All bills and resolutions relating to the revision of the laws referred to or reported by the Committee on the Judiciary of the House of Representatives shall be printed in such form and style, and with such ancillaries, as such committee may prescribe as being economical and suitable, to so continue until final enactment thereof in both Houses of Congress; and such committee may also curtail the number of copies of such bills to be printed in the various parliamentary stages in the House of Representatives.

(July 30, 1947, ch. 388, 61 Stat. 639.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 208 of this title; title 44 section 707.

§ 207. Copies of acts and resolutions in slip form; additional number printed for Committee on the Judiciary of House of Representatives

The Public Printer is directed to print, in addition to the number provided by existing law, and, as soon as printed, to distribute in such manner as the Committee on the Judiciary of the House of Representatives shall determine, twenty copies in slip form of each public Act and joint resolution.

(July 30, 1947, ch. 388, 61 Stat. 639.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 208 of this title.

§ 208. Delegation of function of Committee on the Judiciary to other agencies; printing, and so forth, under direction of Joint Committee on Printing

The functions vested by sections 201, 202, 204-207 of this title in the Committee on the Judiciary of the House of Representatives may from time to time be vested in such other agency as the Congress may by concurrent resolution provide: *Provided*, That the printing, binding, and distribution of the volumes and publications enumerated in sections 202, 203 of this title shall

<sup>1</sup> So in original. Probably should be "inserts".

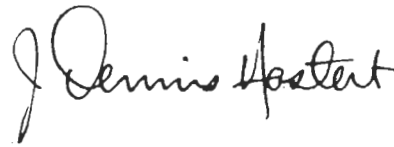
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## PREFACE—2000 EDITION

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The 2000 edition of the United States Code represents the 75th anniversary of the Code. It is the thirteenth edition of the Code, first published in 1926 with a new edition published every six years since 1934. This edition is a consolidation and codification of the general and permanent laws of the United States in force on January 2, 2001. The only basic differences between this edition and the 1994 edition of the Code are the changes required to incorporate the legislation enacted subsequent to the 1994 edition. This edition was prepared and published under the supervision of John R. Miller, Law Revision Counsel of the House of Representatives, pursuant to section 285b of Title 2 of the Code, and may be cited "U.S.C. 2000 ed."

As adopted in 1926, the Code establishes *prima facie* the general and permanent laws of the United States. Since that time, the Office of the Law Revision Counsel and its predecessors have been engaged in an ongoing effort to revise and codify for enactment into positive law specific titles of the Code. Upon enactment into positive law, those titles became legal evidence of the law contained therein, and provide an updated statement of the law with the elimination of inconsistent, redundant, and obsolete provisions. As indicated in the table of titles, about half of the titles of the Code have been enacted into positive law. When the entire Code is enacted, there will be no need to resort to the numerous volumes of the United States Statutes at Large for general and permanent law.



*Speaker of the House of Representatives*

WASHINGTON, D.C., *January 2, 2001.*

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# BLACK'S LAW DICTIONARY®

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amount to be given as a consideration for the sale of a specified thing. The term may be synonymous with cost, and with value, as well as with consideration, though price is not always identical either with consideration. The consideration given for the purchase of a thing. Amount which a prospective seller indicates as the sum for which he is willing to sell; market value. The term may be synonymous with cost, and with value, as well as with consideration, though price is not always identical either with consideration.

*See also* Asking price; Fair market value; Going price; Liquidation price; Open price term.

**Support price.** A minimum price set by the government for a particular agricultural raw commodity. For example, the support price of wheat may be set at, say \$2 per bushel. That means that the farmer never has to sell his or her wheat below that support price. *See also* Parity.

**Target price.** Prices set by the government for particular agricultural commodities such as wheat and corn. If the actual market price falls below the target price, farmers get a subsidy from the government for the difference. *See* Parity.

**Unit pricing.** Pricing of food products expressed in a well-known unit such as ounces or pounds.

**Price current.** A list or enumeration of various articles of merchandise, with their prices, the duties, if any, payable thereon, when imported or exported, with the drawbacks occasionally allowed upon their exportation, etc.

**Price discrimination.** Exists when a buyer pays a price that is different from the price paid by another buyer for an identical product or service. Price discrimination is prohibited if the effect of this discrimination may be to lessen substantially or injure competition, except where it was implemented to dispose of perishable or obsolete goods, was the result of differences in costs incurred, or was given in good faith to meet an equally low price of a competitor. Clayton Act, § 2. *See also* Predatory intent; Robinson-Patman Act.

**Price earnings ratio.** The market price per share of a company's common stock divided by the company's annual earnings per share. For example, a stock selling for \$50 per share, and earnings of \$5 per share, is said to be selling at a price earnings ratio of 10 to 1.

**Price-fixing.** A combination formed for the purpose of and with the effect of raising, depressing, fixing, pegging, or stabilizing the price of a commodity. *Optivision, Inc. v. Syracuse Shopping Center Associates*, D.C. N.Y., 472 F.Supp. 665, 676. The cooperative setting of price levels or range by competing firms, which would otherwise be set by natural market forces. Such agreements are in violation of the Sherman Antitrust Act. Price-fixing within intent of Sherman Act is either horizontal (dealing with arrangements among competitors, as between competing retailers) or vertical (attempting to control resale price, as agreements between manufac-

turer and retailer). *Knuth v. Erie-Crawford Dairy Co-op. Ass'n*, D.C.Pa., 326 F.Supp. 48, 53.

Minimum fee schedules proposed and enforced by state bar associations are within orbit of prohibited price-fixing under Sherman Act. *Goldfarb v. Virginia State Bar*, 421 U.S. 773, 95 S.Ct. 2004, 44 L.Ed.2d 572.

*See also* Horizontal price-fixing; Peg; Per se violations; Predatory intent; Resale price maintenance; Vertical price-fixing contract.

**Price index.** A number representing average prices as a percent of the average prevailing at some other time (called the base or base year).

**Price leadership.** A market condition in which a leader in the industry establishes a price and the others in the field follow suit by adopting that price as their own. Price leadership implies a set of industry practices or customs under which list price changes are normally announced by a specific firm accepted as the leader by others, who follow the leader's initiatives. Such practices have been held to not be in violation of the antitrust laws in the absence of a showing of confederated action or an intent to monopolize. *United States v. United States Steel Corp.*, 251 U.S. 417, 40 S.Ct. 293, 64 L.Ed. 343; *United States v. International Harvester Co.*, 274 U.S. 693, 47 S.Ct. 748, 71 L.Ed. 1302.

**Price supports.** A device used generally by the federal government to keep prices (normally commodity prices) from falling below a predesignated level by such means as loans, subsidies, and government purchases. *See also* Parity; Price.

**Priest.** A sacerdotal minister of a church. A person in the second order of the ministry, as distinguished from bishops and deacons.

**Priest-penitent privilege.** In evidence, the recognition of the seal of confession which bars testimony as to the contents of a communication from one to his confessor. Nearly all states provide for this privilege by statute.

**Primæ impressionis** /práymiy imprèshiyównəs/. A case *primæ impressionis* (of the first impression) is a case of a new kind, to which no established principle of law or precedent directly applies, and which must be decided entirely by reason as distinguished from authority. *See* First impression case.

**Primæ preces** /práymiy priysiyz/. Lat. In the civil law, an imperial prerogative by which the emperor exercised the right of naming to the first prebend that became vacant after his accession, in every church of the empire.

**Prima facie** /práymə féyshiy(iy)/. Lat. At first sight; on the first appearance; on the face of it; so far as can be judged from the first disclosure; presumably; a fact presumed to be true unless disproved by some evidence to the contrary. *State ex rel. Herbert v. Whims*, 68 Ohio App. 39, 38 N.E.2d 596, 599, 22 O.O. 110. *See also* Presumption.

**Prima facie case.** Such as will prevail until contradicted and overcome by other evidence. *Pacific Telephone*

Exhibit 19.1

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## United States Senate

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June 26, 1989

Mr. Fred M. Ortiz  
Tax Consultant  
73-4188 Eluna Street  
Kailua-Kona, Hawaii 96740

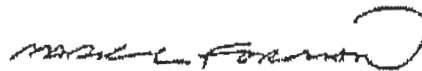
Dear Mr. Ortiz:

On behalf of Senator Inouye, I am writing in further response to your inquiry regarding the precise provisions of the Internal Revenue Code (IRC) that render an individual liable for income taxes.

Based on the research performed by the Congressional Research Service, there is no provision which specifically and unequivocally requires an individual to pay income taxes. However, Article I, section 8 of the U.S. Constitution accords the Congress the "power to lay and collect Taxes...." Accordingly, the IRC need not specifically state that individuals shall be liable for income taxes because it is inferred from the Congress' authority to so levy and collect. This conclusion is further supported by I.R.S. Sec. 7201 et al. (1988) which sets forth the numerous penalties for failure to pay income taxes owed. I have enclosed a copy of these provisions for your information.

I am pleased to have had an opportunity to assist you in this matter.

Aloha,



MARK L. FORMAN  
Legislative Correspondent

..LF:r  
Enclosure

Exhibit 20.0

(ix) loans made for the payment of expenses of college or university education or vocational training, in accordance with such regulations as may be prescribed by the Secretary,

(x) property used by the association in the conduct of the business described in subparagraph (B), and

(xi) any regular or residual interest in a REMIC, and any regular interest in a FASIT, but only in the proportion which the assets of such REMIC or FASIT consist of property described in any of the preceding clauses of this subparagraph; except that if 95 percent or more of the assets of such REMIC or FASIT are assets described in clauses (i) through (x), the entire interest in the REMIC or FASIT shall qualify.

At the election of the taxpayer, the percentage specified in this subparagraph shall be applied on the basis of the average assets outstanding during the taxable year, in lieu of the close of the taxable year, computed under regulations prescribed by the Secretary. For purposes of clause (v), if a multi-family structure securing a loan is used in part for nonresidential purposes, the entire loan is deemed a residential real property loan if the planned residential use exceeds 80 percent of the property's planned use (determined as of the time the loan is made). For purposes of clause (v), loans made to finance the acquisition or development of land shall be deemed to be loans secured by an interest in residential real property if, under regulations prescribed by the Secretary, there is reasonable assurance that the property will become residential real property within a period of 3 years from the date of acquisition of such land; but this sentence shall not apply for any taxable year unless, within such 3-year period, such land becomes residential real property. For purposes of determining whether any interest in a REMIC qualifies under clause (xi), any regular interest in another REMIC held by such REMIC shall be treated as a loan described in a preceding clause under principles similar to the principles of clause (xi); except that, if such REMIC's are part of a tiered structure, they shall be treated as 1 REMIC for purposes of clause (xi).

**(20) Employee**

For the purpose of applying the provisions of section 79 with respect to group-term life insurance purchased for employees, for the purpose of applying the provisions of sections 104, 105, and 106 with respect to accident and health insurance or accident and health plans, and for the purpose of applying the provisions of subtitle A with respect to contributions to or under a stock bonus, pension, profit-sharing, or annuity plan, and with respect to distributions under such a plan, or by a trust forming part of such a plan, and for purposes of applying section 125 with respect to cafeteria plans, the term "employee" shall include a full-time life insurance salesman who is considered an employee for the purpose of chapter 21, or in the case of services performed before

January 1, 1951, who would be considered an employee if his services were performed during 1951.

**(21) Levy**

The term "levy" includes the power of distraint and seizure by any means.

**(22) Attorney General**

The term "Attorney General" means the Attorney General of the United States.

**(23) Taxable year**

The term "taxable year" means the calendar year, or the fiscal year ending during such calendar year, upon the basis of which the taxable income is computed under subtitle A. "Taxable year" means, in the case of a return made for a fractional part of a year under the provisions of subtitle A or under regulations prescribed by the Secretary, the period for which such return is made.

**(24) Fiscal year**

The term "fiscal year" means an accounting period of 12 months ending on the last day of any month other than December.

**(25) Paid or incurred, paid or accrued**

The terms "paid or incurred" and "paid or accrued" shall be construed according to the method of accounting upon the basis of which the taxable income is computed under subtitle A.

**(26) Trade or business**

The term "trade or business" includes the performance of the functions of a public office. \*

**(27) Tax Court**

The term "Tax Court" means the United States Tax Court.

**(28) Other terms**

Any term used in this subtitle with respect to the application of, or in connection with, the provisions of any other subtitle of this title shall have the same meaning as in such provisions.

**(29) Internal Revenue Code**

The term "Internal Revenue Code of 1986" means this title, and the term "Internal Revenue Code of 1939" means the Internal Revenue Code enacted February 10, 1939, as amended.

**(30) United States person**

The term "United States person" means—

(A) a citizen or resident of the United States,

(B) a domestic partnership,

(C) a domestic corporation,

(D) any estate (other than a foreign estate, within the meaning of paragraph (31)), and

(E) any trust if—

(i) a court within the United States is able to exercise primary supervision over the administration of the trust, and

(ii) one or more United States persons have the authority to control all substantial decisions of the trust.

**(31) Foreign estate or trust**

**(A) Foreign estate**

The term "foreign estate" means an estate the income of which, from sources without

*Exhibit 21.0*