

## Public Law 89-621

## AN ACT

October 4, 1966  
[H. R. 483]

To amend section 2056 of the Internal Revenue Code of 1954 relating to the effect of disclaimers on the allowance of the marital deduction for estate tax purposes, and for other purposes.

Estate tax.  
68A Stat. 395.  
26 USC 2056.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 2056(d)(2) of the Internal Revenue Code of 1954 (relating to the treatment of disclaimers in computing the marital deduction for estate tax purposes) is amended to read as follows:

“(2) BY ANY OTHER PERSON.—If under this section an interest would, in the absence of a disclaimer by any person other than the surviving spouse, be considered as passing from the decedent to such person, and if a disclaimer of such interest is made by such person and as a result of such disclaimer the surviving spouse is entitled to receive such interest, then—

“(A) if the disclaimer of such interest is made by such person before the date prescribed for the filing of the estate tax return and if such person does not accept such interest before making the disclaimer, such interest shall, for purposes of this section, be considered as passing from the decedent to the surviving spouse, and

“(B) if subparagraph (A) does not apply, such interest shall, for purposes of this section, be considered as passing, not to the surviving spouse, but to the person who made the disclaimer, in the same manner as if the disclaimer had not been made.”

Applicability.

(b) The amendment made by subsection (a) shall apply with respect to estates of decedents dying on or after the date of the enactment of this Act.

(c) In the case of the estate of a decedent dying before the date of the enactment of this Act for which the date prescribed for the filing of the estate tax return (determined without regard to any extension of time for filing) occurs on or after January 1, 1965, if, under section 2056 of the Internal Revenue Code of 1954, an interest would, in the absence of a disclaimer by any person other than the surviving spouse, be considered as passing from the decedent to such person, and if a disclaimer of such interest is made by such person and as a result of such disclaimer the surviving spouse is entitled to receive such interest, then such interest shall, for purposes of such section, be considered as passing from the decedent to the surviving spouse, if—

(1) the interest disclaimed was bequeathed or devised to such person,

(2) before the date prescribed for the filing of the estate tax return such person disclaimed all bequests and devices under such will, and

(3) such person did not accept any property under any such bequest or devise before making the disclaimer.

The amount of the deductions allowable under section 2056 of such Code by reason of this subsection, when added to the amount of the deductions allowable under such section without regard to this subsection, shall not exceed the greater of (A) the amount of the deductions which would be allowable under such section without regard to the disclaimer if the surviving spouse elected to take against the will, or (B) an amount equal to one-third of the adjusted gross estate (within the meaning of subsection (c)(2) of such section).

SEC. 2. (a) Section 642(g) of the Internal Revenue Code of 1954 (relating to disallowance of double deductions) is amended by insert-

68A Stat. 217.  
26 USC 642.

ing "or of any other person" after "shall not be allowed as a deduction in computing the taxable income of the estate".

(b) The amendment made by subsection (a) shall apply to taxable years ending after the date of the enactment of this Act, but only with respect to amounts paid or incurred, and losses sustained, after such date.

Approved October 4, 1966.

Applicability.

### Public Law 89-622

#### AN ACT

October 4, 1966  
[H. R. 5852]

To amend title 38 of the United States Code with respect to the basis on which certain dependency and indemnity compensation will be computed.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the first sentence of subsection (d) of section 402 of title 38, United States Code, is amended by striking out "was so serving in such rank within one hundred and twenty days before death in the active military, naval, or air service or before last discharge or release from active duty under conditions other than dishonorable" and inserting in lieu thereof "any subsequent discharge or release from active duty was under conditions other than dishonorable".

SEC. 2. The amendment made by this Act shall take effect on the first day of the second calendar month after the date of enactment of this Act.

Approved October 4, 1966.

Deceased veterans.  
Basic pay computation.  
74 Stat. 161.

### Public Law 89-623

#### AN ACT

October 4, 1966  
[H. R. 7850]

To amend section 1822 (a) of title 38, United States Code, to extend the provisions for treble-damage actions to direct loan and insured loan cases.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1822 (a), title 38, United States Code, is amended by inserting immediately after "title," the following: "or made under section 1811 or 1818 of this title, or insured under section 1815 of this title,".

SEC. 2. The amendment made by this Act shall be applicable only to cases in which the offense occurs after date of enactment of this Act.

Approved October 4, 1966.

Veterans.  
Loans.  
72 Stat. 1214.  
72 Stat. 1208;  
Ante, p. 25;  
72 Stat. 1212.

### Public Law 89-624

#### AN ACT

October 4, 1966  
[H. R. 9976]

To amend the Act of September 2, 1964.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of September 2, 1964 (78 Stat. 808; 43 U.S.C. 945(a)), is amended to read "Notwithstanding the existence of any reservation of right-of-way to the United States for canals under the Act of August 30, 1890 (26 Stat. 371, 391; 43 U.S.C. 945), or any State statute, the Secretary of the Interior shall pay just compensation, including severance dam-

Reclamation projects.  
Rights-of-way, compensation.  
43 USC 945a.