

Exhibit 53

Public Law 85-866

September 2, 1958
[H. R. 8381]

AN ACT

To amend the Internal Revenue Code of 1954 to correct unintended benefits and hardships and to make technical amendments, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—TECHNICAL AMENDMENTS ACT OF 1958

SECTION 1. SHORT TITLE, ETC.

Citation of title. —(a) **SHORT TITLE.**—This title may be cited as the “Technical Amendments Act of 1958”.

68A Stat. 26 USC. (b) **AMENDMENT OF 1954 CODE.**—Except as otherwise expressly provided, wherever in this title an amendment or repeal is expressed in terms of an amendment to or a repeal of a section or other provision, the reference shall be considered to be made to a provision of the Internal Revenue Code of 1954.

(c) **EFFECTIVE DATE.**—Except as otherwise expressly provided—

26 USC 1-1552. (1) amendments made by this title to subtitle A of the Internal Revenue Code of 1954 (relating to income taxes) shall apply to taxable years beginning after December 31, 1953, and ending after August 16, 1954; and

26 USC 6001-7852. (2) amendments made by this title to subtitle F of such Code (relating to procedure and administration) shall take effect as of August 17, 1954, and such subtitle, as so amended, shall apply as provided in section 7851 of the Internal Revenue Code of 1954.

SEC. 2. DEALERS IN TAX-EXEMPT SECURITIES.

26 USC 75. (a) **MUNICIPAL BONDS.**—Section 75 (relating to dealers in tax-exempt securities) is amended—

(1) by striking out paragraph (1) of subsection (b) and inserting in lieu thereof the following:

“(1) The term ‘municipal bond’ means any obligation issued by a government or political subdivision thereof if the interest on such obligation is excludable from gross income; but such term does not include such an obligation if—

“(A) (i) it is sold or otherwise disposed of by the taxpayer within 30 days after the date of its acquisition by him, or

“(ii) its earliest maturity or call date is a date more than 5 years from the date on which it was acquired by the taxpayer; and

“(B) when it is sold or otherwise disposed of by the taxpayer—

“(i) in the case of a sale, the amount realized, or

“(ii) in the case of any other disposition, its fair market value at the time of such disposition,

is higher than its adjusted basis (computed without regard to this section and section 1016 (a) (6)).

21 USC 1016.

Determinations under subparagraph (B) shall be exclusive of interest.”;

(2) by striking out “short-term” each place it appears in subsection (a); and

(3) by adding at the end of subsection (a) the following new sentence:

“Notwithstanding the provisions of paragraph (1), no reduction to the cost of securities sold during the taxable year shall be made in