

The Law Reflected At 26 U.S.C. §§ 7602 And 7605

On the following pages will be found the legislative basis for the IRS "summons" and "examination" authorities. These are two separate and distinct authorities granted to two different categories of officer and for two different purposes. The legislative enactments forming the bases for these distinct authorities are combined in this packet because in constructing the 1954 IRC representations of the actual law, the "examination" and "summons" authorities were inaccurately (and misleadingly) mixed together (in both 26 USC § 7602 and § 7605).

The "summons" authority is accurately laid out in its final form as section 3615 (a)-(c) of the IRC of 1939. It allows for challenge and examination related to conventional self-reporting returns such as 1040s under certain very limited circumstances (and in concert with the government's authority to make returns concerning others laid out in section 3612(a) and (c) of the IRC of 1939).

The "examination" authority is found accurately laid out in final form as section 3614 of the IRC of 1939. It provides the Commissioner with subordinate ("backstopping") examination authority co-extensive with the limited authority of the collectors described above (and in concert with the authority laid out in section 3612(b) and (c) of the IRC of 1939).

The limits of the "examination" authority are controlled by section 3612, which subordinates that otherwise very broad-sounding authority to that of section 3615. Unfortunately, in an excess of emphasis on conciseness (or a deliberate intent to deceive) subparagraph (b) of section 3612 is omitted from the current IRC representation of that section (which is found at [26 USC § 6020\(b\)](#)).

Similarly, the broad-sounding examination authority of 3614 is combined with the overall-limiting authority of 3615 in the current code representation of the laws (at 26 USC § 7602), but with the limits left undeclared. It is left to the target of a summons or examination effort to discover them for himself (although a broad hint is given for the benefit of the careful student of the law in the language of the related section 7605, as will be seen).

"Oath administration" authority related to both provisions above appears in section 3632(a)(1) of the IRC of 1939, as derived from section 3165 of the Revised Statutes and re-enacted as amended in section 1115 of the 1926 revenue act.

The materials furnished here allow a complete track and examination of everything from the initial appearance of these authorities to their final current form (some intervening but immaterial amendments made in 1976, 1982 and 1998 to the form, arrangement and content of the current IRC representations are omitted). The flow-charts are as follows:

Summons Authority

- Initial appearance in sections 11 and 14 of the 1864 act;
- amendment of section 14 in 1866;
- change of certain then-relevant dates in 1867
- transfer of duties from "assessors" to "collectors" under provisions of the 1872 act;

- consolidation of authorities and limiting elements into section 3173 of the Revised Statutes of 1873;
- amendment of 3173 in the 1919 act;
- re-enactment without change by section 1115 of the 1926 act; and
- re-statement in final form in section 3615(a)-(c) of the IRC of 1939.

Examination Authority

- Initial appearance in section 1104 of the 1926 act;
- amendment of that section in section 618 of the 1928 act;
- addition of parallel authority in certain circumstances in section 507 of the 1934 act;
- re-statement in final form in section 3614 of the IRC of 1939.

The docs following are those identified in the flow chart above, preceded by the relevant pages from the Joint Committee on Taxation of the US Congress, January 21, 1992 which show the derivations, and followed by the very misleading "consolidated" representations as § 7602 and § 7605 of the current IRC. For the benefit of anyone preparing briefs with these materials, I will include below a few relevant citations of general authority concerning the primacy of the actual statutes over code representations:

"...[7602] has its ascertainable roots in the 1939 Code's 3614 and, also, 3615 (a)-(c)..."
Donaldson v. United States, 400 U.S. 517 (1971);

Section 7602 derives, assertedly without change in meaning, from corresponding and similar provisions in 3614, 3615, and 3654 of the 1939 Code. " United States v. LaSalle National Bank, 437 U.S. 298 (1978) (referencing H. R. Rep. No. 1337, 83d Cong., 2d Sess., A436 (1954); S. Rep. No. 1622, 83d Cong., 2d Sess., 617 (1954)).

"...absent [substantive] comment it is generally held that a change during codification is not intended to alter the statute's scope. See Muniz v. Hoffman, 422 U.S. 454, 467-474 (1975)." Walters v. Nat. Assn. of Radiation Survivors, 473 U.S. 305 (1985);

As we said in United States v. Ryder, 110 U.S. 729, 740 (1884): "It will not be inferred that the legislature, in revising and consolidating the laws, intended to change their policy, unless such intention be clearly expressed." (Citations omitted). Fulman v. United States, 434 U.S. 528 (1978);

*"The internal revenue title, which comprises all of the Code except the preliminary sections relating to its enactment, is intended to contain all the United States statutes of a general and permanent nature relating exclusively to internal revenue, in force on January 2, 1939; also such of the temporary statutes of that description as relate to taxes the occasion of which may arise after the enactment of the Code. **These statutes are codified without substantive change** and with only such change of form as is required by arrangement and consolidation. The title contains no provision, except for effective date, not derived from a law approved prior to January 3, 1939. Preface to the Internal Revenue Code of 1939 (Emphasis added)*

Finally, I encourage everyone to make good use of these materials. If proceeding in a legal contest on your own, do a careful, thoughtful study of the materials and ensure that their revelations are reflected accurately and purposefully in any relevant briefs or arguments. If using a legal-service-provider, furnish these pages to that person and see to it that he or she does the same.

Remember that you got this important information at losthorizons.com, and there's a whole lot more where that came from. Be sure your legal-service provider knows that, too, so they can get busy helping with the critical work of restoring the rule of law in America.

-Pete



Table II.—Sources of the 1954 Code—Continued

1954 Code section	Derived from 1939 Code section	1954 Code section	Derived from 1939 Code section	1954 Code section	Derived from 1939 Code section
7266(a)	3211(a).	7303(6)		7422(a)	3772(a)(1).
(1).....		(A).....	2657(c).	7422(b)	3772(b).
7266(a)	3211(b).	7303(6)		7422(c)	3772(d).
(2).....		(B).....	2656(c); 2657	7422(d)	3772(e).
7266(a)	3211(c).		(a), (b), (f).	7422(e)	
(3).....		7303(7)	3323(b).	7422(f)	
7266(b)	2357(a).	7303(8)	3793(a)(2).	7423(1)	3770(b)(1).
7266(c)	2357(c).	7304.....	3326.	7423(2)	3770(b)(2).
7266(d)	2357(d).	7321.....	3720(b).	7424(a)	3679(a)(1).
7266(e)	2357(e).	7322.....	3721.	(1).....	
7266(f)	2357(f).	7323(a)	3723(a).	7424(a)	3679(a)(2).
7267(a)	2656(j).	7323(b)	3723(b).	(2).....	
7267(b)	2656(k).	7323(c)	3723(c).	7424(a)	3679(a)(3).
7267(c)	2656(i).	7324.....	3722.	(3).....	
7267(d)	2656(h).	7325.....	3724.	7424(b)	3679(c).
7268.....	3320(a).	7326.....		7424(c)	3679(d).
7269.....	894(b)(1).	7327.....	3726.	7425.....	
7270.....	1821(b)(3).	7328.....	2657.	7441.....	1100.
7271(1).	1822, 2656(c).	7329.....		7442.....	1101.
7271(2).	1820(b).	7341(a)	3324(a).	7443(a)	1102(a).
7271(3).	1820(a).	7341(b)	3324(b).	7443(b)	1102(b).
7271(4).	3323(a)(1),	7341(c)	3324(c).	7443(c)	1102(c).
(2).		7342.....	3601(b).	7443(d)	1102(d).
7272(a).	1831(c),	7343.....	145(d), 894(b)	7443(e)	1102(e).
2656(g),			(2)(D),	7443(f)	1102(f).
3475(e).			1718(d),	7443(g)	1102(g).
7272(b).			1821(a)(4),	7444(a)	1103(a).
7273(a).	3274.		2557(b)(8),	7444(b)	1103(b).
7273(b).	3294(b).		2707(d),	7444(c)	1103(c).
7274.....	2656.		3228,	7444(d)	1103(d).
7275.....			3710(c),	7445.....	1104.
7301(a).	2558 (a), (b);		3793(b)(2).	7446.....	1105.
2571; 2598				7447(a)	1106(a).
(a), (b), (c);		7344.....	4048.	7447(b)	1106(b).
3253;		7401.....	3740.	7447(c)	1106(c).
3321(b)(1);		7402(a)	8800.	7447(d)	1106(d).
3720(a)(1).		7402(b)	3633.	7447(e)	1106(e).
7301(b).	3321(b)(1),	7402(c)	4042.	7447(f)	1106(f).
3720(a)(2).		7402(d)	3992, 3995(c).	7447(g)	1106(g).
7301(c).	2657(e),	7402(e)		7451.....	1110.
3321(b)(1),		7403(a)	3678(a).	7452.....	504(b), R.A.
3720(a)(3).		7403(b)	3678(b).	1942.	
7301(d).	3321(b)(2),	7403(c)	3678(c).	7453.....	1111.
3322.		7403(d)	3678(d).	7454(a)	1112.
7301(e).	3321(b)(3).	7404.....	826(a).	7454(b)	
7302.....	3116.	7405(a)	3746(a).	7455.....	1113.
7303(1).	1823.	7405(b)	3746(b).	7456(a)	1114.
7303(2).	2309(b),	7405(c)		7456(b)	
2358(b).		7405(d)		7456(c)	1114(b).
7303(3).	2309(d).	7406.....	3747.	7457(a)	1115(a).
7303(4).	2358(a).	7407.....		7457(b)	1115(b).
7303(5).	2309(b),	7421(a)	3653(a).	7458.....	1116.
2358(b).		7421(b)	3653(b).	7459(a)	1117(a).

Table II.—Sources of the 1954 Code—Continued

1954 Code section	Derived from 1939 Code section	1954 Code section	Derived from 1939 Code section	1954 Code section	Derived from 1939 Code section
7459(b).	1117(b).	7602.....	3614; 3615	7701	3238(a),
7459(c).	1117(c).		(a), (b), (c);	(a)—	3507(a),
7459(d).	1117(d).		3632(a)(1).	Con.	3797(a)(1).
7459(e).	1117(e).	7603.....	3615(d).	7701(a)	
7459(f).	1117(f).	7604(a)	3633(a).	(2).....	3797(a)(2).
7459(g).		7604(b)	3615(e).	7701(a)	
7460(a)	1118(a).	7604(c)		(3).....	3797(a)(3).
7460(b)	1118(b).	7605(a)	3614, 3615.	7701(a)	
7461.....	1120.	7605(b)	3631.	(4).....	3797(a)(4).
7462.....	1121.	7606(a)	3601(a)(1).	7701(a)	
7463.....		7606(b)	3601(a)(2).	(5).....	3797(a)(5).
7471(a)	1130(a).	7606(c)		7701(a)	
7471(b)	1130(b).	7607.....		(6).....	3797(a)(6).
7471(c)		7621.....	3650.	7701(a)	
7472.....	1131.	7622(a)	3632(a).	(7).....	3797(a)(7).
7473.....	1132.	7622(b)	3632(b).	7701(a)	
7474.....	1133.	7623.....	3792.	(8).....	3797(a)(8).
7481.....	1140.	7641.....	2302(c),	(9).....	3797(a)(9).
7482(a)	1141(a).		2322(c),	7701(a)	
7482(b)	1141(b).		2352(c),	(10).....	3797(a)(10).
7482(c)	1141(c).		2569(d)(4),	7701(a)	
7483.....	1142.		2653(b).	(11).....	3797(a)(11).
7484.....	1143.	7651(2)		7701(a)	
7485(a)	1145.	(A).....	8811.	(12).....	
7485(b)		7652(a)		7701(a)	
7486.....	1146.	(1).....	3360(a).	(13).....	3797(a)(12).
7487.....		7652(a)		7701(a)	
7491.....	2597.	(2).....	3360(b).	(14).....	3797(a)(14).
7492.....	1925(b).	7652(a)		7701(a)	
7493.....	1930.	(3).....	3360(c).	(15).....	3797(a)(15).
7501(a)	3661.	7652(b)		7701(a)	
7501(b)		(1).....	3350(a).	(16).....	3797(a)(16).
7502.....		7652(b)		7701(a)	
7503.....		(2).....	3350(b).	(17).....	3797(a)(17).
7504.....		7653(a)		7701(a)	
7505(a)	3695(b).	(1).....	3361(a).	(18).....	3797(a)(18).
7505(b)	3695(c).	7653(a)		7701(a)	
7506(a)	3795(a).	(2).....	3351(a).	(19).....	3797(a)(19).
7506(b)	3795(b).	7653(b)		7701(a)	
7506(c)	3795(c).		3361(b).	(20).....	3797(a)(20).
7506(d)	3795(d).	7653(c)		7701(a)	
7507(a)	3798(a).		3351(c),	(21).....	
7507(b)	3798(b).		3361(c).	7701(a)	
7507(c)	3798(c).	7653(d)		(22).....	
7507(d)	3798(d).	7654.....	2483.	7701(a)	
7508(a)	3804(a).	7655.....		(23).....	48(a).
7508(b)	3804(d).	7701(a)		7701(a)	
7509.....	1424.	(1).....	1426(f),	(24).....	48(b).
7510.....	3331.		1532(i),		
7511.....	3802.		1607(k),		
7601(a)	3600.		1805,		
7601(b)			1931(b),		
			2733(i),		
			3228(a),		

Table III.—Corresponding Sections of the 1939 and 1954 Codes—Continued

1939 Code section	Corresponded to 1954 Code section	1939 Code section	Corresponded to 1954 Code section	1939 Code section	Corresponded to 1954 Code section
3467— Con.	6151(a), 6161(a).	3501..... 3506.....	4504. 7240.	3632(a) (1).....	7602. 7622(b).
3468.....		3507.....	4502, 7701(a).	3632(b).	7402(b).
3469(a), (b), (c)	4261, 4262.	3508.....	4501, 6412(c).	3633.....	7604(a).
3469(d).	4291, 6011(a), 6065(a), 6071, 6091(b), 6151(a).	3600..... 3601(a) (1)..... 3601(a) (2)..... 3601(b).	7601(a). 7606(a). 7606(b). 7342.	3633(b).	
3469(e).	6081(a), 6161(a).	3601(c).	7212 (a), (b).	3634.....	6081(a).
3469(f).	4262, 4292.	3602.....		3640.....	6201(a).
3470.....	6151(a); 6601(a), (f).	3603..... 3604(a).	6001. 6046(a), 6071, 6091(a).	3641.....	6203.
3471.....	6415, 6416(f).	3604(b).	6046 (b), (c); 6065(a).	3642.....	6204.
3472.....		3604(c).	7203, 7201.	3643.....	
3473.....		3611(a)		3644.....	6202.
3474.....		(1).....	6011(a); 6081(a); 6091 (a), (b) (1), (2).	3645.....	
3475(a).	4271, 4272.	3611(a)	6020(a).	3646.....	
3475(b).	4272, 4292.	(2).....	6071.	3647.....	6201(a).
3475(c).	4271, 4291, 6011(a), 6065(a), 6071, 6091(b), 6151(a).	3611(b).	6065(a), 6071, 6091 (a), (b) (1), (2).	3650.....	7621.
3475(d).	6081(a), 6161(a).	3611(c).	6065(a), 6071, 6091 (a), (b) (1), (2).	3651(a)	6301.
3475(e).	4273, 7272.	3612(a).	6020(b).	(1).....	
3480.....	4331, 4361.	3612(c).	6020(b).	3651(b).	6302(a).
3481.....	4331, 4332, 4341, 4342, 4343, 4344, 4351, 4352, 4353.	3612(d)		3652.....	7421(a).
3482.....	4361, 4362.	(1).....	6651(a).	3653(a).	7421(b).
3483.....	4382.	3612(d)		3654.....	
3490.....	4501, 4503.	(2).....	6653(b).	3655(a).	6303(a), 6659.
3491.....	4501, 6011(a), 6071, 6091(b), 6151(a).	3612(e).	6201(a)(1).	3655(b).	6601 (a), (f)(1); 6659.
3492.....	4502.	3612(f).	6021.	3656(a)	6311(a).
3493(a).	6418(b).	3613.....	6021.	(1).....	
3493(b).	6511(e)(2).	3614.....	7602, 7605(a).	3656(b)	6311(b)(1)
3494(a).	6418(a).	3615.....	7605(a).	(2).....	6311(b)(2).
3494(b).	6511(e)(1).	3615(a).	7602.	3657.....	6311(a).
3495.....	6601 (a), (f).	3615(b).	7602.	3658.....	6312(a).
3496.....		3615(c).	7602.	3659(a).	6313.
3497.....		3615(d).	7603.	3659(b).	6314(a).
3498.....		3615(e).	7604(b).	3660.....	6331(a).
3500.....	4501.	3616(a).	7207.	3660(a).	6155(a), 6862.
		3616(b).	7210.	3660(b).	6863(a), 7101.
		3616(c).		3661.....	7501.
		3617.....		3662.....	
		3630.....	6101.	3663.....	
		3631.....	7605(b).	3670.....	6321.
		3632(a).	7622(a).	3671.....	6322.
				3672.....	7207.
				3672(a).	6323(a).
				3672(b).	6323(d).
				3673(a).	6325(a)(1).
				3673(b).	6325(a)(2).

Table III.—Corresponding Sections of the 1939 and 1954 Codes—Continued

1939 Code section	Corresponded to 1954 Code section	1939 Code section	Corresponded to 1954 Code section	1939 Code section	Corresponded to 1954 Code section
3674(a).	6325(b)(1).	3704(c)		3746(c).	
3674(b).	6325(b)(2).	(1).....	6339(b)(1).	3746(d).	6602.
3675.....	6325(c).	3704(c)		3747.....	7406.
3676.....	7102.	(2).....	6339(b)(2).	3748.....	6531.
3677.....		3705.....		3760.....	7121.
3678.....	7403.	3706(a).	6340(a).	3761.....	7122.
3679(a).	7424(a).	3706(b).	6340(a).	3762.....	7206(5).
3679(b).		3706(c)		3770(a)	
3679(c).	7424(b).	-(e).....		(1).....	6402(a), 6404(a).
3679(d).	7424(c).	3706(f).	6340(b).	3770(a)	
3680.....		3707.....		(2).....	6401(a).
3690.....	6331 (a), (b).	3710(a).	6332(a).	3770(a)	
3691.....	6334.	3710(b).	6332(b).	(3).....	6407.
3692.....	6331 (a), (b); 6334(c).	3710(c).	6332(c), 7343.	3770(a)	
3698.....	6335(e)(2)(E).	3711.....	6333.	(4).....	6402(a).
3693(a).	6335(a).	3712.....	6335(c), 6342(b).	3770(a)	
3693(b).	6335(b).			(5).....	6402(a), 6404(a).
3693(c).	6335(d).	3713.....		3770(b)	7423.
3693(d).	6335(e)(2)(F).	3714(a).		3770(b)	
3694.....	6342(a).	3714(b).	6502(b).	(1).....	7423(1).
3695(a).	6335(e) (1), (2), (A).	3715.....	6331(c).	3770(b)	
3695(b).	6335(e)(2), 7505(a).	3716.....	6341.	(2).....	7423(2).
3695(c).	7505(b).	3717.....		3770(c)	6401(c).
3696.....	6337(a).	3720(a)		3771(a).	6611(a).
3697(a).	6339(a)(1).	(1).....	7301(a).	3771(b)	
3697(b).	6339(a)(2).	3720(a)		(1).....	6611(b)(1).
3697(c).	6339(a)(3).	(2).....	7301(b).	3771(b)	
3697(d).	6339(a)(4).	(3).....	7301(c).	(2).....	6611(b)(2), (e).
3698.....		3720(b).	7321.	3771(c).	6611(c).
3700.....	6331 (a), (b).	3720(c).		3771(d).	
3701.....	6335(e)(2)(E).	3721.....	7322.	3771(e).	6611(f).
3701(a).	6335(a).	3722.....	7324.	3771(f).	
3701(b).	6335(b).	3722(a).	7324(1).	(g).....	
3701(c).	6335(d).	3722(b).	7324(2).	3772(a)	
3701(d).	6335(e) (1), (2) (A), (B).	3722(c).	7324(3).	(1).....	7422(a).
3701(e).	6335(e)(1).	3722(d).	7324(4).	3772(a)	
3701(f).	6335(e) (2) (D), (F); (3).	3723(a).	7323(a).	(2).....	6532(a)(1).
3702(a).	6337(a).	3723(b).	7323(b).	3772(a)	
3702(b)		3723(c).	7323(c).	(3).....	6532(a)(4).
(1).....	6337(b)(1).	3723(d).		3772(b).	7422(b).
3702(b)		3724.....	7101, 7325.	3772(c).	
(2).....	6337(b)(2).	3725.....	6807.	3772(d).	7422(c).
3702(c).	6337(c).	3726.....	7327.	3772(e).	7422(d).
3703(a).	6338(c).	3727.....		3773.....	
3703(b).	6338(a).	3740.....	7401.	3774.....	6514(a).
3704(a).	6338(c).	3742.....		3774(b).	6532(a)(2).
3704(b).	6338(b).	3743.....		3775.....	6514(b).
		3745.....		3777(a).	6405(a).
		3746(a).	7405(a).	3777(b).	6405(b).
		3746(b).	6532(b), 7406(b).	3777(c).	6405(c).

Table I.—Sources of the 1939 Code—Continued

[* = Amending statute. † = Reenacting statute. ‡ = Adding statute.]

1939 I. R. C. section	Date enacted	Statutes at Large—			Act section
		Vol- ume	Page	Chap- ter	
3612(d)(2)	*1926, Feb. 26	44	112	27	R. S. 3176. 1103.
3612(d)(3)					
3612(e), (f)	*1926, Feb. 26	44	112	27	R. S. 3176. 1103.
3613					R. S. 3180.
3614(a)	1926, Feb. 26	44	113	27	1104.
	*1928, May 29	45	878	852	618.
3614(b)	1934, May 10	48	757	277	507.
3615(a)–(c)					R. S. 3173.
	†1926, Feb. 26	44	118, 119	27	1115.
3615(d)					R. S. 3174.
3615(e)					R. S. 3175.
3616(a), (b)	1901, Mar. 2	31	956	814	
3616(c)					R. S. 3179.
3617	1934, May 10	48	759	227	514.
3630					R. S. 3181.
3631	*1875, Feb. 18	18	319	80	1.
	1926, Feb. 26	44	113	27	1105.
3632(a)(1)					R. S. 3165.
	†1926, Feb. 26	44	27	1115.	
		117			
3632(a)(2)					R. S. 3162.
3632(b)	1926, Feb. 26	44	112	27	1102(d).
	1938, May 28	52	574	289	806.
3633(a)	1928, May 29	45	877	852	617(a).
3633(b)					
3634					R. S. 3176. 1103.
	*1926, Feb. 26	44	112	27	619(d).
	*1928, May 29	45	878	852	R. S. 3182.
3640					R. S. 3182.
3641					R. S. 3182.
3642					R. S. 3182.
3643					R. S. 3182.
3644					R. S. 3447.
3645					
3646					
3650(a)					R. S. 3141.
3650(b)					R. S. 3142.
	*1923, Mar. 4	42	1444	244	
3650(c)(1)	1900, Apr. 30	31	158	339	87.
3650(c)(2)					R. S. 3141.
3651(a)(1)					R. S. 3183.

Table I.—Sources of the 1939 Code—Continued

[* = Amending statute. † = Reenacting statute. ‡ = Adding statute.]

1939 I. R. C. section	Date enacted	Statutes at Large—			Act section
		Vol- ume	Page	Chap- ter	
3651(a)(2)					
3651(b)					R. S. 3209.
3652					R. S. 3447.
3653(a)					R. S. 3224.
3653(b)	1928, May 29	45	873	852	604.
	1932, June 6	47	257	209	526(e).
3654(a)					R. S. 3163.
	1876, Aug. 15	19	152	287	1.
	1879, Mar. 1	20	328	125	2.
3654(b)	1875, Feb. 8	18	307	36	12.
	*1879, Mar. 1	20	329	125	2.
3654(c)					R. S. 3163.
	*1879, Mar. 1	20	328	125	2.
3655(a)					R. S. 3184.
3655(b)					R. S. 3184.
	1926, Feb. 26	44	76	27	308(i).
	do	44	76	27	309.
	do	44	78	27	312(j)
	1932, June 6	47	255	209	524.
	do	47	282	209	808(b).
	1935, Aug. 30	49	1027	829	404.
	1938, May 28	52	541	289	294.
	do	52	542	289	297.
	*1938, May 28	52	574	289	805.
3655(c)					
3656(a)	1911, Mar. 2	36	965	191	1.
	*1913, Mar. 3	37	733	119	
3656(b)	1926, Feb. 26	44	120	27	1118(a).
3657	do	44	120	27	1118(a).
3658	1919, Feb. 24	40	145	18	1313.
	1926, Feb. 26	44	120	27	1118(c).
3659(a)					R. S. 3183.
	*1879, Mar. 1	20	331	125	3.
3659(b)					
3660	1932, June 6			209	1105.
	*1934, May 10	48	758	277	510.
3661	1934, May 10	48	768	277	607.
3662					
3663					
3670					R. S. 3186 (a).
	*1928, May 29	45	875	852	613.
3671					R. S. 3186 (a).
	*1928, May 29	45	875	852	613

his office, take and subscribe, before some competent magistrate, or some collector, to be appointed by virtue of this act, (who is hereby empowered to administer the same,) the following oath or affirmation, to wit: "I, A. B, do swear (or affirm, as the case may be) that I will bear true faith and allegiance to the United States of America, and will support the Constitution thereof, and that I will diligently and faithfully perform the duties of assessor (or assistant assessor) for (naming the assessment district) according to my best skill and judgment." And a certificate of such oath or affirmation shall be delivered to the collector of the district for which such assessor or assistant assessor shall be appointed.

Assessors.

Oath.

SEC. 9. *And be it further enacted*, That before any collector shall enter upon the duties of his office, he shall execute a bond for such amount as shall be prescribed by the commissioner of internal revenue, under the direction of the Secretary of the Treasury, with not less than five sureties, to be approved by the solicitor of the treasury, conditioned that said collector shall faithfully perform the duties of his office according to law, and shall justly and faithfully account for and pay over to the United States, in compliance with the order or regulations of the Secretary of the Treasury, all public moneys which may come into his hands or possession; which bond shall be filed in the office of the first comptroller of the treasury. And such collector shall, from time to time, renew, strengthen, and increase his official bond, as the Secretary of the Treasury may direct, with such further conditions as the said commissioner shall prescribe.

Collector's bond.

SEC. 10. *And be it further enacted*, That each collector shall be authorized to appoint, by an instrument of writing under his hand, as many deputies as he may think proper, to be by him compensated for their services, and also to revoke any such appointment, giving such notice thereof as the commissioner of internal revenue shall prescribe; and may require bonds or other securities, and accept the same from such deputy; and each such deputy shall have the like authority, in every respect, to collect the duties and taxes levied or assessed within the portion of the district assigned to him which is by this act vested in the collector himself; but each collector shall, in every respect, be responsible both to the United States and to individuals, as the case may be, for all moneys collected, and for every act done by any of his deputies whilst acting as such, and for every omission of duty.

Deputy collectors.

Bond.

Collector responsible for acts of deputy.

SEC. 11. *And be it further enacted*, That it shall be the duty of any person, partnership, firm, association, or corporation, made liable to any duty, license, stamp, or tax imposed by law, when not otherwise provided for, on or before the first Monday of May in each year, and in other cases before the day of levy, to make a list or return, verified by oath or affirmation, to the assistant assessor of the district where located, of the amount of annual income, the articles or objects charged with a special duty or tax, the quantity of goods, wares, and merchandise made or sold, and charged with a specific or ad valorem duty or tax, the several rates and aggregate amount, according to the respective provisions of this act, and according to the forms and regulations to be prescribed by the commissioner of internal revenue, under the direction of the Secretary of the Treasury, for which such person, partnership, firm, association, or corporation is liable to be assessed.

Persons liable to tax to make returns to assistant assessor.

SEC. 12. *And be it further enacted*, That the instructions, regulations, and directions, as hereinbefore mentioned, shall be binding on each assessor and his assistants, and on each collector and his deputies, and on all other persons, in the performance of the duties enjoined by or under this act; pursuant to which instructions the said assessors shall, on the first Monday of May in each year, and from time to time thereafter, in accordance with this act, direct and cause the several assistant assessors to proceed through every part of their respective districts, and inquire after and concerning all persons being within the assessment districts where they

Instructions of commissioner binding upon assessor, &c.

Assistant assessors to make lists of owners and to enumerate and

value objects of taxation.

respectively reside, owning, possessing, or having the care or management of any property, goods, wares, and merchandise, articles or objects liable to pay any duty, stamp, or tax, including all persons liable to pay a license or other duty, under the provisions of this act, and to make a list of the owners, and to value and enumerate the said objects of taxation respectively, by reference to any lists of assessment or collection taken under the laws of the respective states, to any other records or documents, to the written list, schedule, or return required to be made out and delivered to the assistant assessor, and by all other lawful ways and means, in the manner prescribed by this act, and in conformity with the regulations and instructions before mentioned.

Assistant assessors to make lists where owners neglect, but disclose.

SEC. 13. *And be it further enacted,* That if any person liable to pay any duty or tax, or owning, possessing, or having the care or management of property, goods, wares, and merchandise, articles or objects liable to pay any duty, tax, or license, shall fail to make and exhibit a list or return required by law, but shall consent to disclose the particulars of any and all the property, goods, wares, and merchandise, articles and objects liable to pay any duty or tax, or any business or occupation liable to pay any license, as aforesaid, then, and in that case, it shall be the duty of the officer to make such list or return, which being distinctly read, consented to, and signed and verified by oath or affirmation by the person so owning, possessing, or having the care and management as aforesaid, may be received as the list of such person.

Persons absent when assessors call, to send in list.

SEC. 14. *And be it further enacted,* That in case any person shall be absent from his or her residence or place of business at the time an assistant assessor shall call to receive the annual list or return, it shall be the duty of such assistant assessor to leave at such place of residence or business, with some one of suitable age and discretion, if such be present, otherwise to deposit in the nearest post-office, a note or memorandum, addressed to such person, requiring him or her to present to such assessor the list or return required by law within ten days from the date of such note or memorandum, verified by oath or affirmation. And if any person, on being notified or required as aforesaid, shall refuse or neglect to give such list or return within the time required as aforesaid, or if any person shall not deliver a monthly or other list or return without notice at the time required by law, or if any person shall deliver or disclose to any assessor or assistant assessor any list, statement, or return, which, in the opinion of the assessor, is false or fraudulent, or contains any understatement or undervaluation, it shall be lawful for the assessor to summon such person, his agent, or other person having possession, custody, or care of books of account containing entries relating to the trade or business of such person, or any other persons as he may deem proper, to appear before such assessor and produce such book, at a time and place therein named, and to give testimony or answer interrogatories under oath or affirmation respecting any objects liable to duty or tax as aforesaid, or the lists, statements, or returns thereof, or any trade, business, or profession liable to any tax or license as aforesaid. Such summons may be served by any assistant assessor of the district. In case any person so summoned shall neglect or refuse to obey such summons according to its exigency, or to give testimony, or to answer interrogatories as required, it shall be lawful for the assessor, upon affidavit proving the facts, to apply to the judge of the district court, or a commissioner authorized to perform the duties of such judge at chambers, for an attachment against such person as for a contempt. It shall be the duty of such judge or commissioner to hear such application, and, if satisfactory proof be made, to issue an attachment directed to some proper officer for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case, and upon such hearing the judge or commissioner shall have power to make such order as he shall deem proper to enforce obedience to the requirements of

If persons neglect to make lists, or make false ones, assessor to summon, &c.

Penalty for refusal to obey summons, &c.

Arrest for contempt.

the summons and punish such person for his default or disobedience. It shall be the duty of the assessor or assistant assessor of the district within which such person shall have taxable property to enter into and upon the premises, if it be necessary, of such person so refusing or neglecting, or rendering a false or fraudulent list or return, and to make, according to the best information which he can obtain, including that derived from the evidence elicited by the examination of the assessor, and on his own view and information, such list or return, according to the form prescribed, of the property, goods, wares, and merchandise, and all articles or objects liable to duty or tax, owned or possessed or under the care or management of such person, and assess the duty thereon, including the amount, if any, due for license and income; and in case of the return of a false or fraudulent list or valuation, he shall add one hundred per centum to such duty; and in case of a refusal or neglect, except in cases of sickness or absence, to make a list or return, or to verify the same as aforesaid, he shall add fifty per centum to such duty; and in case of neglect occasioned by sickness or absence as aforesaid, the assessor may allow such further time for making and delivering such list or return as he may judge necessary, not exceeding thirty days; and the amount so added to the duty shall, in all cases, be collected by the collector at the same time and in the same manner with the duties; and the lists or returns so made and subscribed by such assessors or assistant assessors shall be taken and reputed as good and sufficient lists or returns for all legal purposes.

Assessors to make lists and assess duties.

Additions for fraudulent lists, for neglecting to make lists, &c.

Post, p. 469.

SEC. 15. *And be it further enacted*, That if any person shall deliver or disclose to any assessor or assistant assessor appointed in pursuance of law any false or fraudulent list, return, account, or statement, with intent to defeat or evade the valuation, enumeration, or assessment intended to be made, or if any person who being duly summoned to appear to testify, or to appear and produce such books as aforesaid, shall neglect to appear or to produce said books, he shall, upon conviction thereof before any circuit or district court of the United States, be fined in any sum not exceeding one thousand dollars, or be imprisoned for not exceeding one year, or both, at the discretion of the court, with costs of prosecution.

Penalty for disclosing false lists, neglecting to produce books, &c.

SEC. 16. *And be it further enacted*, That whenever there shall be in any assessment district any property, goods, wares, and merchandise, articles or objects, not owned or possessed by, or under the care or management of, any person within such district, and liable to be taxed as aforesaid, and no list of which shall have been transmitted to the assistant assessor in the manner provided by this act, it shall be the duty of the assistant assessor for such district to enter into and upon the premises where such property is situated, and take such view thereof as may be necessary, and to make lists of the same, according to the form prescribed, which lists, being subscribed by the said assessor, shall be taken and reputed as good and sufficient lists of such property, goods, wares, and merchandise, articles or objects as aforesaid, for all legal purposes.

Property of absent owners, how assessed, &c.

SEC. 17. *And be it further enacted*, That any owner or person having the care or management of property, goods, wares, and merchandise, articles or objects, not lying or being within the assessment district in which he resides, shall be permitted to make out and deliver the lists thereof required by this act (provided the assessment district in which the said objects of duty or taxation are situated is therein distinctly stated) at the time and in the manner prescribed to the assistant assessor of the assessment district wherein such person resides. And it shall be the duty of the assistant assessor who receives any such list to transmit the same to the assistant assessor where such objects of taxation are situated, who shall examine such list; and if he approves the same, he shall return it to the assistant assessor from whom he received it, with his approval thereof; and if he fails to approve the same, he shall make such alterations therein and additions thereto as he may deem to be just and proper, and shall

Owners of property out of the districts in which they reside, may make lists, &c.

Duty of assessors in such cases.

sions of the preceding sections of this act; and the commissioner of internal revenue, subject to the approval of the Secretary of the Treasury, shall make all necessary rules and regulations for ascertaining the weight of all cotton to be assessed, and for appropriately marking the same, and generally for carrying into effect the foregoing provisions. And the Secretary of the Treasury is authorized to appoint all necessary inspectors, weighers, and markers of cotton, whose compensation shall be determined by the commissioner of internal revenue, and paid in the same manner as inspectors of tobacco are paid.

Rules and regulations.

Appointment of inspectors, weighers, and markers, &c.

SEC. 9. *And be it further enacted*, That the act entitled "An act to provide internal revenue to support the government, to pay interest on the public debt, and for other purposes," approved June thirty, eighteen hundred and sixty-four, as amended by the act of March third, eighteen hundred and sixty-five, be, and the same is hereby, amended as follows, viz:

Amendments to act of 1864, ch. 173.

That section five be amended by adding thereto the following: And any inspector, or revenue agent, or any special agent appointed by the Secretary of the Treasury, who shall demand or receive any compensation, fee, or reward, other than such as are provided by law for, or in regard to, the performance of his official duties, or shall be guilty of any extortion or wilful oppression in the discharge of such duties, shall, upon conviction thereof in any circuit or district court of the United States having jurisdiction thereof, be subject to a fine of not exceeding one thousand dollars, or to imprisonment for not exceeding one year, or both, at the discretion of the court, and shall be dismissed from office, and shall be forever disqualified from holding any office under the government of the United States. And one half of the fine so imposed shall be for the use of the United States, and the other half for the use of the person, to be ascertained by the judgment of the court, who shall first give the information whereby any such fine may be imposed.

Section 5. Penalty upon inspectors, &c. for extortion or oppression.

Fine; imprisonment; dismissal from office; disqualification, &c.

One half of fine to the United States and one half to informer.

That section eight be amended by striking out of said section all after the words "until an appointment filling the vacancy shall be made."

Section 8.

That section fourteen be amended by striking out all after the enacting clause, and inserting in lieu thereof the following: That in case any person shall be absent from his or her residence or place of business at the time an assistant assessor shall call for the annual list or return, and no annual list or return has been rendered by such person to the assistant assessor as required by law, it shall be the duty of such assistant assessor to leave at such place of residence or business, with some one of suitable age and discretion, if such be present, otherwise to deposit in the nearest post office, a note or memorandum, addressed to such person, requiring him or her to render to such assistant assessor the list or return required by law within ten days from the date of such note or memorandum, verified by oath or affirmation. And if any person, on being notified or required as aforesaid, shall refuse or neglect to render such list or return within the time required as aforesaid, or if any person without notice, as aforesaid, shall not deliver a monthly or other list or return at the time required by law, or if any person shall deliver or disclose to any assessor or assistant assessor any list, statement, or return which, in the opinion of the assessor, is false or fraudulent, or contains any understatement or undervaluation, it shall be lawful for the assessor to summon such person, his agent, or other person having possession, custody, or care of books of account containing entries relating to the trade or business of such person, or any other person he may deem proper, to appear before such assessor and produce such book, at a time and place therein named, and to give testimony or answer interrogatories under oath or affirmation respecting any objects liable to tax as aforesaid, or the lists, statements, or returns thereof, or any trade, business, or profession liable to any tax as aforesaid. And the assessor may summon, as aforesaid, any person residing or found within the State in which his district is situated. And when the person in-

Section 14.

Assistant assessors when to notify persons to render lists.

If persons neglect to render lists, or render false lists, assessor may summon them to appear, produce books, &c.

Assessor may summon witnesses.

If persons do not reside, &c., in State, assessor may enter any district where, &c., and make examination. Summons how served.

Certificates of service to be evidence.

Description of books. Penalty for neglecting, &c. to obey summons, &c.

Attachment for contempt, &c.

Assessors to enter premises, take views, and make up lists.

100 per cent to be added to tax for false lists, and 50 per cent for neglect, &c. Further time.

Amount added, how to be collected.

Section 19. Assessors to advertise when taxes may be paid; to post notices.

Appeals.

tended to be summoned does not reside and cannot be found within such State, the assessor may enter any collection district where such person may be found, and there make the examination hereinbefore authorized. And to this end he shall there have and may exercise all the power and authority he has or may lawfully exercise in the district for which he is commissioned. The summons authorized by this section shall in all cases be served by an assistant assessor of the district where the person to whom it is directed may be found, by an attested copy delivered to such person in hand or left at his last and usual place of abode, allowing such person at the rate of one day for each twenty-five miles he may be required to travel, computed from the place of service to the place of examination; and the certificate of service signed by such assistant assessor shall be evidence of the facts it states on the hearing of an application for an attachment; and when the summons requires the production of books, it shall be sufficient if such books are described with reasonable certainty. In case any person so summoned shall neglect or refuse to obey such summons, or to give testimony, or to answer interrogatories as required, it shall be lawful for the assessor to apply to the judge of the district court or to a commissioner of the circuit court of the United States for the district within which the person so summoned resides for an attachment against such person as for a contempt. It shall be the duty of such judge or commissioner to hear such application, and, if satisfactory proof be made, to issue an attachment, directed to some proper officer, for the arrest of such person, and upon his being brought before him to proceed to a hearing of the case; and upon such hearing the judge or commissioner shall have power to make such order as he shall deem proper, not inconsistent with the provisions of existing laws for the punishment of contempts, to enforce obedience to the requirements of the summons and punish such person for his default or disobedience. It shall be the duty of the assessor or assistant assessor of the district within which such person shall have taxable property to enter into and upon the premises, if it be necessary, of such person so refusing or neglecting, or rendering a false or fraudulent list or return, and to make, according to the best information which he can obtain, including that derived from the evidence elicited by the examination of the assessor, and on his own view and information, such list or return, according to the form prescribed, of the property, goods, wares, and merchandise, and all articles or objects liable to tax, owned or possessed or under the care or management of such person, and assess the tax thereon, including the amount, if any, due for special or income tax; and in case of the return of a false or fraudulent list or valuation, he shall add one hundred per centum to such tax; and in case of a refusal or neglect, except in cases of sickness or absence, to make a list or return, or to verify the same as aforesaid, he shall add fifty per centum to such tax; and in case of neglect occasioned by sickness or absence as aforesaid, the assessor may allow such further time for making and delivering such list or return as he may judge necessary, not exceeding thirty days; and the amount so added to the tax shall, in all cases, be collected by the collector at the same time and in the same manner as the tax; and the list or return so made and subscribed by such assessor or assistant assessor shall be taken and reputed as good and sufficient for all legal purposes.

That section nineteen be amended by striking out all after the enacting clause, and inserting in lieu thereof the following: That the assessor for each collection district shall give notice by advertisement in one newspaper published in each county within said district, and if there be none published in the district, then in a newspaper published in a collection district adjoining thereto, and shall post notices in at least four public places within each assessment district, and shall mail a copy of such notice to each postmaster in his district, to be posted in his office, stating the time and place within said collection district when and where appeals will

York, eastern and western districts of Pennsylvania, the district of Maryland, northern district of Illinois, southern district of Ohio, and the district of New Jersey, shall be four thousand dollars each; and the salaries of the district judges of every other district shall be three thousand five hundred dollars each; and said salaries shall be in full compensation for all official services performed by such judges, and shall take effect at the commencement of the next fiscal year, and no other allowance or payment shall be made to them for travel, expenses, or otherwise; and the amount necessary to pay the increased compensation herein provided for shall be paid out of any money in the treasury not otherwise appropriated.

Salaries of district judges.

To be in full for all official services.

SEC. 10. *And be it further enacted*, That if the Supreme Court shall in any one year direct its reporter to publish a second volume, for such year, of its decisions, and if such second volume shall be published accordingly, an additional sum of fifteen hundred dollars shall be paid said reporter therefor on the delivery by said reporter to the Secretary of the Interior, for distribution, according to existing laws, of three hundred copies of such second volume of said reports; and the amount necessary to pay the same is hereby appropriated.

Reporter of decisions of the Supreme Court, if second volume is published in any year.

SEC. 11. *And be it further enacted*, That the notice required by the fourth section of the act entitled "An act to pay in part for publishing the debates in Congress and for other purposes," approved July fourth, eighteen hundred and sixty-four, is hereby given that Congress will, in two years from the close of the present Congress, abrogate the provisions of the first and second sections of said act.

Notice to publishers of Congressional Globe and Appendix, to terminate agreement. 1864, ch. 250, § 4. Vol. xiii. p. 392.

SEC. 12. *And be it further enacted*, That the Secretary of the Interior is hereby authorized to appoint in the office of the commissioner of pensions, in addition to the clerks now authorized in said office, twenty-eight clerks of class one; twenty-four of class two; eighteen of class three; and ten of class four; said clerkships to expire at the end of two years, and a sum sufficient to pay the salaries of said clerks from the date of their appointment to the thirtieth of June, eighteen hundred and sixty-seven, and for the fiscal year ending the thirtieth of June, eighteen hundred and sixty-eight, be, and the same is hereby appropriated.

Additional clerks in office of commissioner of pensions.

Appropriation.

APPROVED, March 2, 1867.

CHAP. CLXIX. — *An Act to amend existing Laws relating to Internal Revenue, and for other Purposes.*

March 2, 1867.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That all acts in relation to the assessment, return, collection, and payment of the income tax, special tax, and other annual taxes now by law required to be performed in the month of May, shall hereafter be performed on the corresponding days in the month of March in each year; all acts required to be performed in the month of June, in relation to the collection, return, and payment of said taxes, shall hereafter be performed on the corresponding days of the month of April of each year: *Provided*, That on and after the first day of September, eighteen hundred and sixty-seven, a tax of two and one half cents per pound only shall be levied, collected and paid on any cotton produced within the United States.

All acts relative to the internal revenue laws now required to be done in May and June to be done hereafter in March and April.

Tax on cotton.

SEC. 2. *And be it further enacted*, That apothecaries, butchers, confectioners, and plumbers, and gas-fitters, whose annual sales exceed twenty-five thousand dollars, shall pay, in addition to the special tax now required by law, one dollar for every thousand dollars in excess of said twenty-five thousand dollars; and the taxes on such excess shall be assessed and paid in the manner provided in the case of wholesale dealers.

Additional special tax on apothecaries, butchers, confectioners, plumbers, and gas-fitters; how to be assessed and paid.

SEC. 3. *And be it further enacted*, That in all suits or proceedings arising under the internal revenue laws, to which the United States is party, and in all suits or proceedings against a collector or other officer of

District attorney to report concerning suits

Provided, That the said drawbridges shall be so constructed as not to interfere with the free or to materially or substantially obstruct the free navigation of said streams, beyond what is necessary in order to carry into effect the rights and privileges hereby granted; and in case of any litigation arising from any obstruction, or alleged obstruction, to the free navigation of said river, the cause may be tried before the district court of the United States of the State of Alabama in which any portion of said obstruction or bridges touches: *And provided also*, That said drawbridges shall be opened promptly, upon reasonable signal, for the passage of boats, and in no case shall unnecessary delay occur in opening the said draw during or after the passage of trains.

Drawbridges, how to be constructed;

litigation,

to be opened promptly:

SEC. 2. That any bridge constructed under this act, and according to its limitations, shall be a lawful structure, and shall be known and recognized as a post-route, upon which, also, no higher charge shall be made for the transmission over the same of the mails, the troops, and the munitions of war of the United States than the rate per mile paid for their transportation over the railroads or public highways leading to said bridges.

to be lawful structures and post-routes; charges.

SEC. 3. That all railway companies desiring to use said bridges shall have and be entitled to equal rights and privileges in the passage of the same, and in the use of the machinery and fixtures thereof, and of all the approaches thereto, under and upon such terms and conditions as shall be prescribed by the Secretary of War, upon hearing the allegations and proofs of the parties in case they shall not agree.

All railroad companies to have equal rights to use the bridges.

SEC. 4. That the right to alter or amend this act so as to prevent or remove all material obstructions to the navigation of said river by the construction of bridges is hereby expressly reserved; and that any bridge or bridges constructed under this act shall be built under and subject to such regulations for the security of the navigation of said river as the Secretary of War shall prescribe; and the said bridges shall be, at all times, so kept and managed as to offer reasonable and proper means for the passage of vessels through and under them; and the said bridges shall be changed, at the cost and expense of the owners thereof, from time to time, as Congress may direct, so as to preserve the free and convenient navigation of said river; and the authority to erect and continue said bridges shall be subject to revocation by law whenever the public good shall, in the judgment of Congress, so require.

This act may be altered, &c.

Bridges how to be built, managed, changed, &c.

APPROVED, December 24, 1872.

CHAP. XIII. — *An Act for the Reduction of Officers and Expenses of the internal Revenue.* Dec. 24, 1872.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That on the first day of July, eighteen hundred and seventy-three, or at such time prior thereto, in the districts respectively, as the commissioner of internal revenue may find practicable, the offices of assessor and assistant assessor of internal revenue shall cease to exist; thereupon all duties imposed by law on assessors and assistant assessors, except as hereinafter otherwise provided, be, and the same are hereby, transferred to and imposed upon collectors of internal revenue, to be performed by them or their deputies; and that all returns and reports required by law to be made to the said assessors and assistant assessors shall be made to the said collectors, or to their deputies; and that each of said assessors shall, prior to the date aforesaid, and at the time set therefor by the commissioner of internal revenue, transfer to such revenue officer as may be designated by the commissioner of internal revenue for that purpose all books, papers, and other property belonging to the government in his possession, or in that of any of his assistant assessors, and shall file with his final account an inventory thereof in detail, with the receipt of said revenue officer there-

Offices of assessor and assistant assessor of internal revenue to cease on or before July 1, 1873:

collectors, &c., to perform their duties: transfer of books and papers.

for; and from the time set for said transfer, his office and that of his assistants shall cease.

SEC. 2. That the commissioner of internal revenue is hereby authorized and required thereafter to make the inquiries, determinations, and assessments of the following taxes, to wit:

For deficiencies imposed by the provisions of section twenty of an act entitled "An act imposing taxes on distilled spirits and tobacco, and for other purposes," approved July twentieth, eighteen hundred and sixty-eight, as amended by subsequent acts.

Semi-annually, upon the deposits, capital, and circulation of each person, bank, association, company, or corporation engaged in the business of banking, imposed by the provisions of section one hundred and ten of an act entitled "An act to provide internal revenue to support the government and to pay interest on the public debt, and for other purposes," approved June thirtieth, eighteen hundred and sixty-four, as amended and supplemented by subsequent acts.

Upon articles provided for in section five, and in the first proviso of section fourteen, of an act entitled "An act to amend existing laws relating to internal revenue, and for other purposes," approved March second, eighteen hundred and sixty-seven.

Upon tobacco, snuff, and cigars, provided for in section sixty of an act entitled "An act imposing taxes on distilled spirits and tobacco, and for other purposes," approved July twentieth, eighteen hundred and sixty-eight, as amended by section thirty-one of an act entitled "An act to reduce duties on imports and to reduce internal taxes, and for other purposes," approved June sixth, eighteen hundred and seventy-two.

Upon legacies and successions, and of all other internal-revenue taxes liable to be assessed, or accruing under the provisions of former acts; and the said commissioner shall certify such assessments, when made, to the proper collectors, respectively, who shall proceed to collect and account for taxes so certified in the same manner as assessments on lists are now collected and accounted for.

SEC. 3. That all special taxes imposed by law, accruing after April thirty, eighteen hundred and seventy-three, including the tax on stills, or worms, shall be paid by stamps denoting the tax, and the commissioner of internal revenue is hereby authorized and required to procure appropriate stamps for the payment of such taxes; and the provisions of sections twenty-six and one hundred and one of an act entitled "An act imposing taxes on distilled spirits and tobacco, and for other purposes," approved July twentieth, eighteen hundred and sixty-eight, and all other provisions of law relating to the preparation and issue of stamps for distilled spirits, fermented liquors, tobacco, and cigars, so far as applicable, are hereby extended, so as to include such stamps, and the commissioner of internal revenue shall have authority to make all needful rules and regulations relative thereto. Every person engaged in any business, avocation, or employment, who is thereby made liable to a special tax, except tobacco peddlers, shall place and keep conspicuously in his establishment or place of business all stamps denoting the payment of said special tax; and any person who shall through negligence, fail to so place and keep said stamp, shall, upon conviction, be sentenced to pay a penalty equal to the special tax for which his business rendered him liable, and the costs of prosecution; but in no case shall said penalty be less than ten dollars. And where the failure to comply with the foregoing provision of law shall be through willful neglect or refusal, then the penalty shall be double the amount above prescribed: *Provided*, That nothing contained in this section shall change, or in any way affect, the liability of any person for exercising or carrying on any trade, business, or profession, or doing any act for the exercising, carrying on, or doing of which a special tax is imposed by law, without the payment thereof.

Commissioner of internal revenue to make certain assessments, &c., for deficiencies in returns of distilled spirits; 1868, ch. 186, § 20.
Vol. xv. p. 133.
deposits, &c., in banking business; 1864, ch. 173, § 110.
Vol. xiii. p. 277.

Upon certain distilled spirits sold without a stamp; 1867, ch. 189, §§ 9, 14.
Vol. xiv. pp. 472, 481.
on tobacco, &c.; 1868, ch. 186, § 60.
1872, ch. 315, § 31.
Ante, p. 249.
on legacies and successions, assessments to be certified to, and collected by, collectors.

All special taxes after, &c., to be paid by stamps.
Stamps to be procured, and provisions of former laws to apply.
1868, ch. 186, §§ 26, 101.
Vol. xv. pp. 137, 165.

Penalty for not keeping conspicuously in place of business stamps denoting payment of special tax;

in cases of willful neglect or refusal.
Proviso.

6 June, 1872, c. 315, s. 12, v. 17, p. 241.

24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

15 Aug., 1878, c. 287, v. 19, p. 152.

Matter of Meador, 1 Abb. U. S., 317; Stanwood v. Green, 2 Abb. U. S., 184.

and examine into the efficiency and conduct of all officers of internal revenue; and for such purposes he shall have power to examine all persons, books, papers, accounts, and premises, to administer oaths, and to summon any person to produce books and papers, or to appear and testify under oath before him, and to compel a compliance with such summons in the same manner as collectors may do. He shall report in writing to the Commissioner of Internal Revenue any neglect of duty, incompetency, delinquency, or malfeasance in office of any internal-revenue officer of which he may obtain knowledge, with a statement of all the facts in each case, and any evidence sustaining the same. He may, by notice in writing, suspend from duty any inspector, gauger, or store-keeper, and he may suspend any collector for fraud, or gross neglect of duty, or abuse of power. In case of the suspension of any inspector, gauger, or store-keeper, he shall immediately notify the collector of the proper district and the Commissioner of Internal Revenue, and within three days thereafter report his action and his reasons therefor, in writing, to the Commissioner. In case of the suspension of any collector, he shall immediately report his action to the Commissioner, with his reasons therefor, in writing, and the Commissioner, in all cases of suspension, shall thereupon take such action as he may deem proper. Every supervisor may also transfer any inspector, gauger, or store-keeper from one distillery, or other place of duty, or from one collection-district, to another.

By c. 287 of the statutes of 1876, v. 19, p. 152, the powers of transfer and suspension conferred upon supervisors by this section were vested in the Commissioner of Internal Revenue, and all other powers conferred and duties imposed upon supervisors by this section were, by the statute of 1876, conferred and imposed upon collectors of internal revenue within their respective districts.

Duty of collectors to report violations of law to district attorney.

3 Mar., 1873, c. 244, v. 17, p. 580.

SEC. 3164. It shall be the duty of every collector of internal revenue to report within ten days to the district attorney of the district in which any fine, penalty, or forfeiture may be incurred for the violation of any law of the United States relating to the revenue, a statement of all the facts and circumstances of the case within his knowledge, together with the names of the witnesses, and which may come to his knowledge from time to time, stating the provisions of the law believed to be violated, and on which a reliance may be had for condemnation or conviction; and if any collector shall in any case fail to report to the proper district attorney as prescribed in this section, his right to any compensation, benefit, or allowance in such case shall be forfeited to the United States, and the same may, in the discretion of the Secretary of the Treasury, be awarded to such persons as may make complaint and prosecute the same to judgment or conviction. [See § 828.]

Revenue officers who may administer oaths and take evidence.

30 June, 1864, c. 173, s. 52, v. 13, p. 242.

Revenue officers authorized to make seizures.

2 Mar., 1867, c. 169, s. 19, v. 14, p. 482.

20 July, 1868, c. 186, s. 51, v. 15, p. 145.

Revenue officers disclosing operations of manufacturers, &c.; penalty.

30 June, 1864, c. 173, ss. 36, 38, v. 13, p. 238.

SEC. 3165. Every collector, deputy collector, and inspector is authorized to administer oaths and to take evidence touching any part of the administration of the internal-revenue laws with which he is charged, or where such oaths and evidence are authorized by law to be taken.

SEC. 3166. Any officer of internal revenue may be specially authorized by the Commissioner of Internal Revenue to seize any property which may by law be subject to seizure, and for that purpose such officer shall have all the power conferred by law upon collectors; and such special authority shall be limited in respect of time, place, and kind and class of property, as the Commissioner may specify: *Provided*, That no collector shall be detailed or authorized to discharge any duty imposed by law upon any other collector.

SEC. 3167. If any collector or deputy collector, or any inspector, or other officer acting under the authority of any revenue law of the United States, divulges to any party, or makes known in any other manner than may be provided by law, the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, he shall be subject to a fine of not exceeding one thousand dollars, or to be imprisoned for not exceeding one year, or to both, at the

SEC. 3173. It shall be the duty of any person, partnership, firm, association, or corporation, made liable to any duty, special tax, stamp, or tax imposed by law, when not otherwise provided for, on or before the first Monday of March in each year, and in other cases before the day of levy, to make a list or return, verified by oath or affirmation, to the deputy collector of the district where located, of the articles or objects charged with a special duty or tax, the quantity of goods, wares, and merchandise made or sold, and charged with a specific or ad valorem duty or tax, the several rates and aggregate amount, according to the forms and regulations to be prescribed by the Commissioner of Internal Revenue, under the direction of the Secretary of the Treasury, for which such person, partnership, firm, association, or corporation is liable: *Provided*, That if any person liable to pay any duty or tax, or owning, possessing, or having the care or management of property, goods, wares, and merchandise, articles or objects liable to pay any duty, tax, or license, shall fail to make and exhibit a list or return required by law, but shall consent to disclose the particulars of any and all the property, goods, wares, and merchandise, articles and objects liable to pay any duty or tax, or any business or occupation liable to pay any special tax as aforesaid, then, and in that case, it shall be the duty of the deputy collector to make such list or return, which, being distinctly read, consented to, and signed and verified by oath or affirmation by the person so owning, possessing, or having the care and management as aforesaid, may be received as the list of such person: *Provided further*, That in case any person shall be absent from his or her residence or place of business at the time a deputy collector shall call for the annual list or return, and no annual list or return has been rendered by such person to the deputy collector as required by law, it shall be the duty of such deputy collector to leave at such place of residence or business, with some one of suitable age and discretion, if such be present, otherwise to deposit in the nearest post-office, a note or memorandum, addressed to such person, requiring him or her to render to such deputy collector the list or return required by law within ten days from the date of such note or memorandum, verified by oath or affirmation. And if any person on being notified or required as aforesaid shall refuse or neglect to render such list or return within the time required as aforesaid, or whenever any person who is required to deliver a monthly or other return of objects subject to tax fails to do so at the time required, or delivers any return which, in the opinion of the collector, is false or fraudulent or contains any undervaluation or under-statement, it shall be lawful for the collector to summon such person or any other person, having possession, custody, or care of books of account containing entries relating to the business of such person, or any other person he may deem proper, to appear before him and produce such books, at a time and place named in the summons, and to give testimony or answer interrogatories, under oath, respecting any objects liable to tax or the returns thereof. The collector may summon any person residing or found within the State in which his district lies; and when the person intended to be summoned does not reside and cannot be found within such State, he may enter any collection-district where such person may be found, and there make the examination herein authorized. And to this end he may there exercise all the authority which he might lawfully exercise in the district for which he was commissioned.

SEC. 3174. Such summons shall in all cases be served by a deputy collector of the district where the person to whom it is directed may be found, by an attested copy delivered to such person in hand, or left at his last and usual place of abode, allowing such person one day for each twenty-five miles he may be required to travel, computed from the place of service to the place of examination; and the certificate of service signed by such deputy shall be evidence of the facts it states on the hearing of an application for an attachment. When the summons requires the production of books, it shall be sufficient if such books are described with reasonable certainty.

Annual returns of persons liable to tax.

30 June, 1864, c. 172, ss. 11, 13, v. 13, pp. 225, 226.
13 July, 1866, c. 184, s. 9, v. 14, p. 101.
2 Mar., 1867, c. 169, s. 1, v. 14, p. 471.
24 Dec., 1872, c. 13, s. 1, v. 17, p. 401.

Summons, form and manner of service of.

30 June, 1864, c. 173, s. 14, v. 13, p. 226.
13 July, 1866, c. 184, s. 9, v. 14, p. 101.
24 Dec., 1872, c. 13, v. 17, p. 401.

estimate of appropriations to refund and pay back duties or taxes erroneously or illegally assessed or collected under the internal-revenue laws, and to pay judgments, including interest and costs, rendered for taxes or penalties erroneously or illegally assessed or collected under the internal-revenue laws.

SEC. 1317. That sections 3164, 3165, 3167, 3172, 3173, and 3176 of the Revised Statutes as amended are hereby amended to read as follows:

"SEC. 3164. It shall be the duty of every collector of internal revenue having knowledge of any willful violation of any law of the United States relating to the revenue, within thirty days after coming into possession of such knowledge, to file with the district attorney of the district in which any fine, penalty, or forfeiture may be incurred, a statement of all the facts and circumstances of the case within his knowledge, together with the names of the witnesses, setting forth the provisions of law believed to be so violated on which reliance may be had for condemnation or conviction.

"SEC. 3165. Every collector, deputy collector, internal-revenue agent, and internal-revenue officer assigned to duty under an internal-revenue agent, is authorized to administer oaths and to take evidence touching any part of the administration of the internal-revenue laws with which he is charged, or where such oaths and evidence are authorized by law or regulation authorized by law to be taken.

"SEC. 3167. It shall be unlawful for any collector, deputy collector, agent, clerk, or other officer or employee of the United States to divulge or to make known in any manner whatever not provided by law to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any income return, or to permit any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; and it shall be unlawful for any person to print or publish in any manner whatever not provided by law any income return, or any part thereof or source of income, profits, losses, or expenditures appearing in any income return; and any offense against the foregoing provision shall be a misdemeanor and be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding one year, or both, at the discretion of the court; and if the offender be an officer, or employee of the United States he shall be dismissed from office or discharged from employment.

"SEC. 3172. Every collector shall, from time to time, cause his deputies to proceed through every part of his district and inquire after and concerning all persons therein who are liable to pay any internal-revenue tax, and all persons owning or having the care and management of any objects liable to pay any tax, and to make a list of such persons and enumerate said objects.

"SEC. 3173. It shall be the duty of any person, partnership, firm, association, or corporation, made liable to any duty, special tax, or other tax imposed by law, when not otherwise provided for, (1) in case of a special tax, on or before the thirty-first day of July in each year, and (2) in other cases before the day on which the taxes accrue, to make a list or return, verified by oath, to the collector or a deputy collector of the district where located, of the articles or objects, including the quantity of goods, wares, and merchandise, made or sold and charged with a tax, the several rates and aggregate amount, according to the forms and regulations to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, for which such person,

partnership, firm, association, or corporation is liable: *Provided*, That if any person liable to pay any duty or tax, or owning, possessing, or having the care or management of property, goods, wares, and merchandise, article or objects liable to pay any duty, tax, or license, shall fail to make and exhibit a list or return required by law, but shall consent to disclose the particulars of any and all the property, goods, wares, and merchandise, articles, and objects liable to pay any duty or tax, or any business or occupation liable to pay any tax as aforesaid, then, and in that case, it shall be the duty of the collector or deputy collector to make such list or return, which, being distinctly read, consented to, and signed and verified by oath by the person so owning, possessing, or having the care and management as aforesaid, may be received as the list of such person: *Provided further*, That in case no annual list or return has been rendered by such person to the collector or deputy collector as required by law, and the person shall be absent from his or her residence or place of business at the time the collector or a deputy collector shall call for the annual list or return, it shall be the duty of such collector or deputy collector to leave at such place of residence or business, with some one of suitable age and discretion, if such be present, otherwise to deposit in the nearest post office, a note or memorandum addressed to such person, requiring him or her to render to such collector or deputy collector the list or return required by law within ten days from the date of such note or memorandum, verified by oath. And if any person, on being notified or required as aforesaid, shall refuse or neglect to render such list or return within the time required as aforesaid, or whenever any person who is required to deliver a monthly or other return of objects subject to tax fails to do so at the time required, or delivers any return which, in the opinion of the collector, is erroneous, false, or fraudulent, or contains any undervaluation or understatement, or refuses to allow any regularly authorized Government officer to examine the books of such person, firm, or corporation, it shall be lawful for the collector to summon such person, or any other person having possession, custody, or care of books of account containing entries relating to the business of such person or any other person he may deem proper, to appear before him and produce such books at a time and place named in the summons, and to give testimony or answer interrogatories, under oath, respecting any objects or income liable to tax or the returns thereof. The collector may summon any person residing or found within the State or Territory in which his district lies; and when the person intended to be summoned does not reside and can not be found within such State or Territory, he may enter any collection district where such person may be found and there make the examination herein authorized. And to this end he may there exercise all the authority which he might lawfully exercise in the district for which he was commissioned: *Provided*, That 'person,' as used in this section, shall be construed to include any corporation, joint-stock company or association, or insurance company when such construction is necessary to carry out its provisions.

"SEC. 3176. If any person, corporation, company, or association fails to make and file a return or list at the time prescribed by law or by regulation made under authority of law, or makes, willfully or otherwise, a false or fraudulent return or list, the collector or deputy collector shall make the return or list from his own knowledge and from such information as he can obtain through testimony or otherwise. In any such case the Commissioner may, from his own knowledge and from such information as he can obtain through testimony or otherwise, make a return or amend any return made by a collector or deputy collector. Any return or list so made and subscribed by the Commissioner, or by a collector or deputy collector and approved by the

EXAMINATION OF BOOKS AND WITNESSES

SEC. 1104. The Commissioner, for the purpose of ascertaining the correctness of any return or for the purpose of making a return where none has been made, is hereby authorized, by any revenue agent or inspector designated by him for that purpose, to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return, and may require the attendance of the person rendering the return or of any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take his testimony with reference to the matter required by law to be included in such return, with power to administer oaths to such person or persons.

UNNECESSARY EXAMINATIONS

SEC. 1105. No taxpayer shall be subjected to unnecessary examinations or investigations, and only one inspection of a taxpayer's books of account shall be made for each taxable year unless the taxpayer requests otherwise or unless the Commissioner, after investigation, notifies the taxpayer in writing that an additional inspection is necessary.

FINAL DETERMINATIONS AND ASSESSMENTS

SEC. 1106. (a) The bar of the statute of limitations against the United States in respect of any internal-revenue tax shall not only operate to bar the remedy but shall extinguish the liability; but no credit or refund in respect of such tax shall be allowed unless the taxpayer has overpaid the tax. The bar of the statute of limitations against the taxpayer in respect of any internal-revenue tax shall not only operate to bar the remedy but shall extinguish the liability; but no collection in respect of such tax shall be made unless the taxpayer has underpaid the tax.

(b) If after a determination and assessment in any case the taxpayer has paid in whole any tax or penalty, or accepted any abatement, credit, or refund based on such determination and assessment, and an agreement is made in writing between the taxpayer and the Commissioner, with the approval of the Secretary, that such determination and assessment shall be final and conclusive, then (except upon a showing of fraud or malfeasance or misrepresentation of fact materially affecting the determination or assessment thus made) (1) the case shall not be reopened or the determination and assessment modified by any officer, employee, or agent of the United States, and (2) no suit, action, or proceeding to annul, modify, or set aside such determination or assessment shall be entertained by any court of the United States.

ADMINISTRATIVE REVIEW

SEC. 1107. In the absence of fraud or mistake in mathematical calculation, the findings of facts in and the decision of the Commissioner upon (or in case the Secretary is authorized to approve the same, then after such approval) the merits of any claim presented under or authorized by the internal-revenue laws shall not, except as provided in Title IX of the Revenue Act of 1924, as amended, be subject to review by any other administrative or accounting officer, employee, or agent of the United States.

(whether or not such falsity or fraud is with the knowledge or consent of the person authorized or required to present such return, affidavit, claim, or document) be guilty of a felony and, upon conviction thereof, be fined not more than \$10,000, or imprisoned for not more than five years, or both, together with the costs of prosecution.

(d) Any person who willfully fails to pay, collect, or truthfully account for and pay over, any tax imposed by Titles IV, V, VI, VII, VIII, and IX, or willfully attempts in any manner to evade or defeat any such tax or the payment thereof, shall, in addition to other penalties provided by law, be liable to a penalty of the amount of the tax evaded, or not paid, collected or accounted for and paid over, to be assessed and collected in the same manner as taxes are assessed and collected. No penalty shall be assessed under this subdivision for any offense for which a penalty may be assessed under authority of section 3176 of the Revised Statutes, as amended, or for any offense for which a penalty has been recovered under section 3256 of the Revised Statutes.

(e) Any person in possession of property, or rights to property, subject to distraint, upon which a levy has been made, shall, upon demand by the collector or deputy collector making such levy, surrender such property or rights to such collector or deputy, unless such property or right is, at the time of such demand, subject to an attachment or execution under any judicial process. Any person who fails or refuses to so surrender any of such property or rights shall be liable in his own person and estate to the United States in a sum equal to the value of the property or rights not so surrendered, but not exceeding the amount of the taxes (including penalties and interest) for the collection of which such levy has been made, together with costs and interest from the date of such levy.

(f) The term "person" as used in this section includes an officer or employee of a corporation or a member or employee of a partnership, who as such officer, employee, or member is under a duty to perform the act in respect of which the violation occurs.

REVISED STATUTES

SEC. 1115. Sections 3164, 3165, 3167, 3172, and 3173 of the Revised Statutes, as amended, are reenacted without change, as follows:

"SEC. 3164. It shall be the duty of every collector of internal revenue having knowledge of any willful violation of any law of the United States relating to the revenue, within thirty days after coming into possession of such knowledge, to file with the district attorney of the district in which any fine, penalty, or forfeiture may be incurred, a statement of all the facts and circumstances of the case within his knowledge, together with the names of the witnesses, setting forth the provisions of law believed to be so violated on which reliance may be had for condemnation or conviction.

"SEC. 3165. Every collector, deputy collector, internal-revenue agent, and internal-revenue officer assigned to duty under an internal-revenue agent, is authorized to administer oaths and to take evidence touching any part of the administration of the internal-revenue laws with which he is charged, or where such oaths and evidence are authorized by law or regulation authorized by law to be taken.

"SEC. 3167. It shall be unlawful for any collector, deputy collector, agent, clerk, or other officer or employee of the United States to divulge or to make known in any manner whatever not provided by law to any person the operations, style of work, or apparatus of any manufacturer or producer visited by him in the discharge of

his official duties, or the amount or source of income, profits, losses, expenditures, or any particular thereof, set forth or disclosed in any income return, or to permit any income return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; and it shall be unlawful for any person to print or publish in any manner whatever not provided by law any income return, or any part thereof or source of income, profits, losses, or expenditures appearing in any income return; and any offense against the foregoing provision shall be a misdemeanor and be punished by a fine not exceeding \$1,000 or by imprisonment not exceeding one year, or both, at the discretion of the court; and if the offender be an officer or employee of the United States he shall be dismissed from office or discharged from employment.

"SEC. 3172. Every collector shall, from time to time, cause his deputies to proceed through every part of his district and inquire after and concerning all persons therein who are liable to pay any internal-revenue tax, and all persons owning or having the care and management of any objects liable to pay any tax, and to make a list of such persons and enumerate said objects.

"SEC. 3173. It shall be the duty of any person, partnership, firm, association, or corporation, made liable to any duty, special tax, or other tax imposed by law, when not otherwise provided for, (1) in case of a special tax, on or before the thirty-first day of July in each year, and (2) in other cases before the day on which the taxes accrue, to make a list or return, verified by oath, to the collector or a deputy collector of the district where located, of the articles or objects, including the quantity of goods, wares, and merchandise, made or sold and charged with a tax, the several rates and aggregate amount, according to the forms and regulations to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, for which such person, partnership, firm, association, or corporation is liable: *Provided*, That if any person liable to pay any duty or tax, or owning, possessing, or having the care or management of property, goods, wares, and merchandise, article or objects liable to pay any duty, tax, or license, shall fail to make and exhibit a list or return required by law, but shall consent to disclose the particulars of any and all the property, goods, wares, and merchandise, articles, and objects liable to pay any duty or tax, or any business or occupation liable to pay any tax as aforesaid, then, and in that case, it shall be the duty of the collector or deputy collector to make such list or return, which, being distinctly read, consented to, and signed and verified by oath by the person so owning, possessing, or having the care and management as aforesaid, may be received as the list of such person: *Provided further*, That in case no annual list or return has been rendered by such person to the collector or deputy collector as required by law, and the person shall be absent from his or her residence or place of business at the time the collector or a deputy collector shall call for the annual list or return, it shall be the duty of such collector or deputy collector to leave at such place of residence or business, with some one of suitable age and discretion, if such be present, otherwise to deposit in the nearest post office, a note or memorandum addressed to such person, requiring him or her to render to such collector or deputy collector the list or return required by law within ten days from the date of such note or memorandum, verified by oath. And if any person, on being notified or required as aforesaid, shall refuse or neglect to render such list or return within the time required as aforesaid, or whenever any person who is required to deliver a monthly or other return of objects subject to

tax fails to do so at the time required, or delivers any return which, in the opinion of the collector, is erroneous, false, or fraudulent, or contains any undervaluation or understatement, or refuses to allow any regularly authorized Government officer to examine the books of such person, firm, or corporation, it shall be lawful for the collector to summon such person, or any other person having possession, custody, or care of books of account containing entries relating to the business of such person or any other person he may deem proper, to appear before him and produce such books at a time and place named in the summons, and to give testimony or answer interrogatories, under oath, respecting any objects or income liable to tax or the returns thereof. The collector may summon any person residing or found within the State or Territory in which his district lies; and when the person intended to be summoned does not reside and can not be found within such State or Territory, he may enter any collection district where such person may be found and there make the examination herein authorized. And to this end he may there exercise all the authority which he might lawfully exercise in the district for which he was commissioned: *Provided*, That 'person,' as used in this section, shall be construed to include any corporation, joint-stock company or association, or insurance company when such construction is necessary to carry out its provisions."

INTEREST ON REFUNDS AND CREDITS

SEC. 1116. (a) Upon the allowance of a credit or refund of any internal-revenue tax erroneously or illegally assessed or collected, or of any penalty collected without authority, or of any sum which was excessive or in any manner wrongfully collected, interest shall be allowed and paid on the amount of such credit or refund at the rate of 6 per centum per annum from the date such tax, penalty, or sum was paid to the date of the allowance of the refund, or in the case of a credit, to the due date of the amount against which the credit is taken, but if the amount against which the credit is taken is an additional assessment made under the Revenue Act of 1921, the Revenue Act of 1924, or this Act, then to the date of the assessment of that amount.

(b) As used in this section—

(1) The term "additional assessment" means a further assessment for a tax of the same character previously paid in part, and includes the assessment of a deficiency under Title II or Title III of the Revenue Act of 1924 or of this Act;

(2) The term "date of the allowance of the refund" means, in the case of any income, war-profits, or excess-profits tax, the first date on which the Commissioner signs the schedule of overassessments in respect thereof.

(c) This section shall be applicable to any refund paid, and to any credit taken, on or after the date of the enactment of this Act, even though such refund or credit was allowed prior to such date.

INTEREST ON JUDGMENTS

SEC. 1117. Section 177 of the Judicial Code, as amended, is amended to read as follows:

"SEC. 177. (a) No interest shall be allowed on any claim up to the time of the rendition of judgment by the Court of Claims, unless upon a contract expressly stipulating for the payment of interest, except as provided in subdivision (b).

together, as may be necessary or appropriate for the enforcement of the internal-revenue laws. The remedies hereby provided are in addition to and not exclusive of any and all other remedies of the United States in such courts or otherwise to enforce such laws.

SEC. 618. EXAMINATION OF BOOKS AND WITNESSES.

Section 1104 of the Revenue Act of 1926 is amended to read as follows:

"SEC. 1104. The Commissioner, for the purpose of ascertaining the correctness of any return or for the purpose of making a return where none has been made, is hereby authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service, designated by him for that purpose, to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return, and may require the attendance of the person rendering the return or of any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take his testimony with reference to the matter required by law to be included in such return, with power to administer oaths to such person or persons."

SEC. 619. MINOR ADMINISTRATIVE AMENDMENTS.

(a) Section 1109 of the Revenue Act of 1926 is amended by striking out "Except as provided in sections 277, 278, 310, and 311" and inserting in lieu thereof "Except in the case of income, war-profits, excess-profits, estate, and gift taxes".

(b) Section 3220 of the Revised Statutes, as amended by section 1111 of the Revenue Act of 1926, is amended by striking out "Except as otherwise provided in sections 284 and 319 of the Revenue Act of 1926" and inserting in lieu thereof "Except as otherwise provided by law in the case of income, war-profits, excess-profits, estate, and gift taxes".

(c) Section 3228 of the Revised Statutes, as amended by section 1112 of the Revenue Act of 1926, is amended by striking out "except as provided in sections 284 and 319 of the Revenue Act of 1926" and inserting "except as otherwise provided by law in the case of income, war-profits, excess-profits, estate, and gift taxes".

(d) Section 3176 of the Revised Statutes, as amended by section 1103 of the Revenue Act of 1926, is amended by striking out "other than a return under Title II of the Revenue Act of 1924 or Title II of the Revenue Act of 1926" and inserting in lieu thereof "other than a return of income tax".

TITLE V—GENERAL PROVISIONS

SEC. 701. DEFINITIONS.

(a) When used in this Act—

(1) The term "person" means an individual, a trust or estate, a partnership, or a corporation.

(2) The term "corporation" includes associations, joint-stock companies, and insurance companies.

(3) The term "domestic" when applied to a corporation or partnership means created or organized in the United States or under the law of the United States or of any State or Territory.

(4) The term "foreign" when applied to a corporation or partnership means a corporation or partnership which is not domestic.

SEC. 505. BANKRUPTCY AND RECEIVERSHIPS.

(a) Section 274(a) of the Revenue Act of 1932 and the Revenue Act of 1928 and section 282(a) of the Revenue Act of 1926 are amended by inserting after the first sentence thereof the following:

"In such cases the trustee in bankruptcy or receiver shall give notice in writing to the Commissioner of the adjudication of bankruptcy or the appointment of the receiver, and the running of the statute of limitations on the making of assessments shall be suspended for the period from the date of adjudication in bankruptcy or the appointment of the receiver to a date 30 days after the date upon which the notice from the trustee or receiver is received by the Commissioner; but the suspension under this sentence shall in no case be for a period in excess of two years."

(b) The amendments made by subsection (a) shall not apply in any case in which the adjudication has occurred, or the receiver has been appointed, prior to the date of the enactment of this Act.

SEC. 506. RETROACTIVITY OF REGULATIONS, RULINGS, ETC.

Section 1108 (a) of the Revenue Act of 1926, as amended, is amended to read as follows:

"(a) The Secretary, or the Commissioner with the approval of the Secretary, may prescribe the extent, if any, to which any ruling, regulation, or Treasury Decision, relating to the internal revenue laws, shall be applied without retroactive effect."

SEC. 507. EXAMINATION OF BOOKS AND WITNESSES.

The Commissioner, for the purpose of determining the liability at law or in equity of a transferee of the property of any person with respect to any Federal taxes imposed upon such person, is hereby authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service, designated by him for that purpose, to examine any books, papers, records, or memoranda bearing upon such liability, and may require the attendance of the transferor or transferee, or of any officer or employee of such person, or the attendance or any other person having knowledge in the premises, and may take his testimony with reference to the matter, with power to administer oaths to such person or persons.

SEC. 508. SALE OF PERSONAL PROPERTY UNDER DISTRAINT.

Section 3192 of the Revised Statutes is amended to read as follows: "SEC. 3192. When any personal property is advertised for sale under distraint as aforesaid, the officer making the seizure shall proceed to sell such property at a public auction, offering the same at a minimum price, including the expenses of making the levy and of advertising the sale, and if the amount bid for such property at the sale is not equal to the minimum price so fixed, the officer conducting the sale may declare the same to be purchased by him for the United States. The property so purchased may be sold by the collector within whose district the sale was made under such regulations as may be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury. The collector shall render to the Commissioner a distinct account of all charges incurred in such sales, and, in case of resale, shall pay into the Treasury the proceeds as provided in section 3210 of the Revised Statutes, as amended."

SEC. 509. DISCHARGE OF LIENS.

Section 3186 (c) of the Revised Statutes, as amended, is amended by adding at the end thereof the following new paragraph:

SUBCHAPTER B—DETERMINATION OF TAX LIABILITY

SEC. 3611. RETURNS EXECUTED BY TAXPAYER.

When not otherwise provided for—

(a) PREPARATION.—

(1) BY TAXPAYER.—It shall be the duty of any person made liable to any special tax or other tax imposed by law, to make a list or return, verified by oath, to the collector or a deputy collector of the district where located, of the articles or objects, including the quantity of goods, wares, and merchandise, made or sold and charged with a tax, the several rates and aggregate amount, according to the forms and regulations to be prescribed by the Commissioner, with the approval of the Secretary, for which such person is liable.

(2) BY COLLECTOR OR DEPUTY COLLECTOR.—If any person liable to pay any tax, or owning, possessing, or having the care or management of property, goods, wares, and merchandise, articles or objects liable to pay any tax shall fail to make and exhibit a list or return required by law, but shall consent to disclose the particulars of any and all the property, goods, wares, and merchandise, articles, and objects liable to pay any tax, or any business or occupation liable to pay any tax as aforesaid, then, and in that case, it shall be the duty of the collector or deputy collector to make such list or return, which, being distinctly read, consented to, and signed and verified by oath by the person so owning, possessing, or having the care and management as aforesaid, may be received as the list of such person.

(b) TIME FOR FILING.—The list or return required under subsection (a) shall be made—

(1) SPECIAL TAXES.—In the case of a special tax, on or before the 31st day of July in each year, and

(2) OTHER TAXES.—In other cases before the day on which the taxes accrue.

(c) DELINQUENCY.—In case no annual list or return has been rendered by such person to the collector or deputy collector as required by law, and the person shall be absent from his or her residence or place of business at the time the collector or a deputy collector shall call for the annual list or return, it shall be the duty of such collector or deputy collector to leave at such place of residence or business, with some one of suitable age and discretion, if such be present, otherwise to deposit in the nearest post office, a note or memorandum addressed to such person, requiring him or her to render to such collector or deputy collector the list or return required by law within ten days from the date of such note or memorandum, verified by oath.

SEC. 3612. RETURNS EXECUTED BY COMMISSIONER OR COLLECTOR.

(a) AUTHORITY OF COLLECTOR.—If any person fails to make and file a return or list at the time prescribed by law or by regulation made under authority of law, or makes, willfully or otherwise, a false or fraudulent return or list, the collector or deputy collector shall make the return or list from his own knowledge and from such information as he can obtain through testimony or otherwise.

(b) AUTHORITY OF COMMISSIONER.—In any such case the Commissioner may, from his own knowledge and from such information as he can obtain through testimony or otherwise—

(1) TO MAKE RETURN.—Make a return, or

(2) TO AMEND COLLECTOR'S RETURN.—Amend any return made by a collector or deputy collector.

(c) LEGAL STATUS OF RETURNS.—Any return or list so made and subscribed by the Commissioner, or by a collector or deputy collector and approved by the Commissioner, shall be prima facie good and sufficient for all legal purposes.

438 CODIFICATION OF INTERNAL REVENUE LAWS

(d) ADDITIONS TO TAX.—

(1) FAILURE TO FILE RETURN.—In case of any failure to make and file a return or list within the time prescribed by law, or prescribed by the Commissioner or the collector in pursuance of law, the Commissioner shall add to the tax 25 per centum of its amount, except that when a return is filed after such time and it is shown that the failure to file it was due to a reasonable cause and not to willful neglect, no such addition shall be made to the tax: *Provided*, That in the case of a failure to make and file a return required by law, within the time prescribed by law or prescribed by the Commissioner in pursuance of law, if the last date so prescribed for filing the return is after August 30, 1935, then there shall be added to the tax, in lieu of such 25 per centum: 5 per centum if the failure is for not more than 30 days, with an additional 5 per centum for each additional 30 days or fraction thereof during which failure continues, not to exceed 25 per centum in the aggregate.

(2) FRAUD.—In case a false or fraudulent return or list is willfully made, the Commissioner shall add to the tax 50 per centum of its amount.

(3) CROSS REFERENCE.—

For additions to tax in the case of income tax, see sections 291 and 293, and in the case of a deficiency in gift tax, see section 1019.

(e) COLLECTION OF ADDITIONS TO TAX.—The amount added to any tax under paragraphs (1) and (2) of subsection (d) shall be collected at the same time and in the same manner and as a part of the tax unless the tax has been paid before the discovery of the neglect, falsity, or fraud, in which case the amount so added shall be collected in the same manner as the tax.

(f) DETERMINATION AND ASSESSMENT.—The Commissioner shall determine and assess all taxes, other than stamp taxes, as to which returns or lists are so made under the provisions of this section.

SEC. 3613. LISTING BY COLLECTOR OF TAXABLE OBJECTS OWNED BY NONRESIDENTS OF COLLECTION DISTRICT.

Whenever there are in any district any articles not owned or possessed by or under the care or control of any person within such district, and liable to be taxed, and of which no list has been transmitted to the collector, as required by law, the collector or one of his deputies shall enter the premises where such articles are situated and shall take such view thereof as may be necessary, and make lists of the same, according to the form prescribed. Said lists, being subscribed by such collector or deputy, shall be taken as sufficient lists of such articles for all purposes.

SEC. 3614. EXAMINATION OF BOOKS AND WITNESSES.

(a) TO DETERMINE LIABILITY OF THE TAXPAYER.—The Commissioner, for the purpose of ascertaining the correctness of any return or for the purpose of making a return where none has been made, is authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service, designated by him for that purpose, to examine any books, papers, records, or memoranda bearing upon the matters required to be included in the return, and may require the attendance of the person rendering the return or of any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take his testimony with reference to the matter required by law to be included in such return, with power to administer oaths to such person or persons.

(b) TO DETERMINE LIABILITY OF A TRANSFEREE.—The Commissioner, for the purpose of determining the liability at law or in equity of a transferee of the property of any person with respect to any Federal taxes imposed upon such person, is hereby authorized, by any officer or employee of the Bureau of Internal Revenue, including the field service, designated by him for that purpose, to examine any books,

papers, records, or memoranda bearing upon such liability, and may require the attendance of the transferor or transferee, or of any officer or employee of such person, or the attendance of any other person having knowledge in the premises, and may take his testimony with reference to the matter, with power to administer oaths to such person or persons.

SEC. 3615. SUMMONS FROM COLLECTOR TO PRODUCE BOOKS AND GIVE TESTIMONY.

(a) GENERAL AUTHORITY.—It shall be lawful for the collector, subject to the provisions of this section to summon any person to appear before him and produce books at a time and place named in the summons, and to give testimony or answer interrogatories, under oath, respecting any objects or income liable to tax or the returns thereof. The collector may summon any person residing or found within the State or Territory in which his district lies; and when the person intended to be summoned does not reside and can not be found within such State or Territory, he may enter any collection district where such person may be found and there make the examination herein authorized. And to this end he may there exercise all the authority which he might lawfully exercise in the district for which he was commissioned.

(b) ACTS CREATING LIABILITY.—Such summons may be issued—

(1) REFUSAL OR NEGLECT TO COMPLY WITH NOTICE REQUIRING RETURN.—If any person, on being notified or required as provided in section 3611, shall refuse or neglect to render such list or return within the time required, or

(2) FAILURE TO RENDER RETURN ON TIME.—Whenever any person who is required to deliver a monthly or other return of objects subject to tax fails to do so at the time required, or

(3) ERRONEOUS, FALSE, OR FRAUDULENT RETURN.—Whenever any person who is required to deliver a monthly or other return of objects subject to tax delivers any return which, in the opinion of the collector, is erroneous, false, or fraudulent, or contains any undervaluation or understatement, or

(4) REFUSAL TO PERMIT EXAMINATION OF BOOKS.—Whenever any person who is required to deliver a monthly or other return of objects subject to tax refuses to allow any regularly authorized Government officer to examine his books.

(c) PERSONS LIABLE.—Such summons may be issued to—

(1) PERSONS MENTIONED IN SUBSECTION (b).—Any person mentioned in subsection (b), or

(2) PERSONS HAVING BOOKS.—Any other person having possession, custody, or care of books of account containing entries relating to the business of any person mentioned in subsection (b), or

(3) OTHER PERSONS.—Any other person the collector may deem proper.

(d) SERVICE.—Such summons shall in all cases be served by a deputy collector of the district where the person to whom it is directed may be found, by an attested copy delivered to such person in hand, or left at his last and usual place of abode, allowing such person one day for each twenty-five miles he may be required to travel, computed from the place of service to the place of examination; and the certificate of service signed by such deputy shall be evidence of the facts it states on the hearing of an application for an attachment. When the summons requires the production of books, it shall be sufficient if such books are described with reasonable certainty.

(e) ENFORCEMENT.—Whenever any person summoned under this section neglects or refuses to obey such summons, or to give testimony, or to answer interrogatories as required, the collector may apply to the judge of the district court or to a United States commissioner for the district within which the person so summoned resides

SEC. 3631. RESTRICTIONS ON EXAMINATION OF TAXPAYERS.

No taxpayer shall be subjected to unnecessary examinations or investigations, and only one inspection of a taxpayer's books of account shall be made for each taxable year unless the taxpayer requests otherwise or unless the Commissioner, after investigation, notifies the taxpayer in writing that an additional inspection is necessary.

SEC. 3632. AUTHORITY TO ADMINISTER OATHS, TAKE TESTIMONY, AND CERTIFY.

(a) INTERNAL REVENUE PERSONNEL.—

(1) PERSONS IN CHARGE OF ADMINISTRATION OF INTERNAL REVENUE LAWS GENERALLY.—Every collector, deputy collector, internal revenue agent, and internal revenue officer assigned to duty under an internal revenue agent, is authorized to administer oaths and to take evidence touching any part of the administration of the internal revenue laws with which he is charged, or where such oaths and evidence are authorized by law or regulation authorized by law to be taken.

(2) PERSONS IN CHARGE OF EXPORTS AND DRAWBACKS.—Every collector of internal revenue and every superintendent of exports and drawbacks is authorized to administer such oaths and to certify to such papers as may be necessary under any regulation prescribed under the authority of the internal revenue laws.

(b) OTHERS.—Any oath or affirmation required or authorized by any internal revenue law or by any regulations made under authority thereof may be administered by any person authorized to administer oaths for general purposes by the law of the United States, or of any State, Territory, or possession of the United States, or of the District of Columbia, wherein such oath or affirmation is administered, or by any consular officer of the United States. This subsection shall not be construed as an exclusive enumeration of the persons who may administer such oaths or affirmations.

SEC. 3633. JURISDICTION OF DISTRICT COURTS.

(a) TO ENFORCE SUMMONS.—If any person is summoned under the internal revenue laws to appear, to testify, or to produce books, papers, or other data, the district court of the United States for the district in which such person resides shall have jurisdiction by appropriate process to compel such attendance, testimony, or production of books, papers, or other data.

(b) TO ISSUE ORDERS, PROCESSES, AND JUDGMENTS.—

For authority of district courts to issue orders, processes, and judgments for enforcement of internal revenue laws, see section 5799.

SEC. 3634. EXTENSION OF TIME FOR FILING RETURNS.

If the failure to file a return (other than a return of income tax) or list at the time prescribed by law or by regulation made under authority of law is due to sickness or absence, the collector may allow such further time, not exceeding thirty days, for making and filing the return or list as he deems proper.

Rendering Of The "Summons" And "Examination" Authorities In The Current IRC

26 USC 7602- Examination of books and witnesses

(a) Authority to summon, etc.

For the purpose of ascertaining the correctness of any return, making a return where none has been made, determining the liability of any person for any internal revenue tax or the liability at law or in equity of any transferee or fiduciary of any person in respect of any internal revenue tax, or collecting any such liability, the Secretary is authorized—

(1) To examine any books, papers, records, or other data which may be relevant or material to such inquiry;

(2) To summon the person liable for tax or required to perform the act, or any officer or employee of such person, or any person having possession, custody, or care of books of account containing entries relating to the business of the person liable for tax or required to perform the act, or any other person the Secretary may deem proper, to appear before the Secretary at a time and place named in the summons and to produce such books, papers, records, or other data, and to give such testimony, under oath, as may be relevant or material to such inquiry; and

(3) To take such testimony of the person concerned, under oath, as may be relevant or material to such inquiry.

(b) Purpose may include inquiry into offense

The purposes for which the Secretary may take any action described in paragraph (1), (2), or (3) of subsection (a) include the purpose of inquiring into any offense connected with the administration or enforcement of the internal revenue laws.

(c) Notice of contact of third parties

(1) General notice

An officer or employee of the Internal Revenue Service may not contact any person other than the taxpayer with respect to the determination or collection of the tax liability of such taxpayer without providing reasonable notice in advance to the taxpayer that contacts with persons other than the taxpayer may be made.

(2) Notice of specific contacts

The Secretary shall periodically provide to a taxpayer a record of persons contacted during such period by the Secretary with respect to the determination or collection of the tax liability of such taxpayer. Such record shall also be provided upon request of the taxpayer.

(3) Exceptions

This subsection shall not apply—

(A) to any contact which the taxpayer has authorized;

(B) if the Secretary determines for good cause shown that such notice would jeopardize collection of any tax or such notice may involve reprisal against any person; or

(C) with respect to any pending criminal investigation.

(d) No administrative summons when there is Justice Department referral

(1) Limitation of authority

No summons may be issued under this title, and the Secretary may not begin any action under section [7604](#) to enforce any summons, with respect to any person if a Justice Department referral is in effect with respect to such person.

(2) Justice Department referral in effect

For purposes of this subsection—

(A) In general

A Justice Department referral is in effect with respect to any person if—

(i) the Secretary has recommended to the Attorney General a grand jury investigation of, or the criminal prosecution of, such person for any offense connected with the administration or enforcement of the internal revenue laws, or

(ii) any request is made under section 6103 (h)(3)(B) for the disclosure of any return or return information (within the meaning of section 6103 (b)) relating to such person.

(B) Termination

A Justice Department referral shall cease to be in effect with respect to a person when—

(i) the Attorney General notifies the Secretary, in writing, that—

(I) he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws,

(II) he will not authorize a grand jury investigation of such person with respect to such an offense, or

(III) he will discontinue such a grand jury investigation,

(ii) a final disposition has been made of any criminal proceeding pertaining to the enforcement of the internal revenue laws which was instituted by the Attorney General against such person, or

(iii) the Attorney General notifies the Secretary, in writing, that he will not prosecute such person for any offense connected with the administration or enforcement of the internal revenue laws relating to the request described in subparagraph (A)(ii).

(3) Taxable years, etc., treated separately

For purposes of this subsection, each taxable period (or, if there is no taxable period, each taxable event) and each tax imposed by a separate chapter of this title shall be treated separately.

(e) Limitation on examination on unreported income

The Secretary shall not use financial status or economic reality examination techniques to determine the existence of unreported income of any taxpayer unless the Secretary has a reasonable indication that there is a likelihood of such unreported income.

26 USC 7605 - Time and place of examination

(a) Time and place

The time and place of examination pursuant to the provisions of section 6420 (e)(2) [concerning gasoline used on farms], 6421 (g)(2) [concerning gasoline used for certain non-highway purposes, etc.], 6427 (j)(2) [concerning fuels not used for taxable purposes], or 7602 shall be such time and place as may be fixed by the Secretary and as are reasonable under the circumstances. In the case of a summons under authority of paragraph (2) of section 7602, or under the corresponding authority of section 6420 (e)(2), 6421 (g)(2), or 6427 (j)(2), the date fixed for appearance before the Secretary shall not be less than 10 days from the date of the summons.

[The distinctions drawn by the first and second sentences in the language above (one specifically and exclusively dealing with the "examination" authority, and the other specifically and exclusively dealing with the "summons" authority) illustrate that the examination authority and the summons authority are and remain separate from each other and NOT conjoined and co-extensive].

(b) Restrictions on examination of taxpayer

No taxpayer shall be subjected to unnecessary examination or investigations, and only one inspection of a taxpayer's books of account shall be made for each taxable year unless the taxpayer requests otherwise or unless the Secretary, after investigation, notifies the taxpayer in writing that an additional inspection is necessary.

(c) Cross reference

For provisions restricting church tax inquiries and examinations, see section 7611.

[All bracketed notes are mine -PH]