

lost, or any difference between the quantity withdrawn under a permit and that certified to by the receiving officer, will remain as a charge against the transportation bond, and assessment of the tax thereon will be made against the manufacturer in the absence of evidence showing that the goods not covered by the receiving officer's certificate were actually destroyed.

ART. 9. *Collector's account—Credit on bond.*—The bond covering the total quantity of the tax-free product requisitioned will be credited by the collector, in the case of oleomargarine, upon the receipt by him of certificate on Form 667 of the Government officer. The collector will, in the case of oleomargarine, forward the original certificate of receipt, with one copy of bill of lading, to the commissioner with his monthly statement of account as a voucher for credit taken therein. In the case of tobacco manufactures, the credit on the bond will be allowed in the office of Commissioner of Internal Revenue, to whom the collector will forward the original certificate of receipt immediately after it is received by him.

Approved January 22, 1920:

CARTER GLASS,
Secretary of the Treasury.

(T. D. 2983.)

Regulations No. 59, relating to special taxes upon businesses and occupations and upon the use of boats, under the revenue act of 1918.

ARTICLE 1. *Scope of regulations.*—These regulations relate to the special taxes upon businesses and occupations, imposed by subdivisions (1) to (11), inclusive, of section 1001, and upon the use of boats, imposed by section 1003 of the revenue act of 1918.

SPECIAL TAXES UPON BUSINESSES AND OCCUPATIONS.

SEC. 1001. That on and after January 1, 1919, there shall be levied, collected, and paid annually the following special taxes—

ART. 2. *Effective date.*—The effective date of the special tax on occupations enumerated in section 1001 of the act is January 1, 1919.

ART. 3. *Use of terms.*—In these regulations—for convenience unless obviously inapplicable—

The term "person" shall include partnerships, corporations, and associations as well as individuals;

The term "secondary tax" shall mean the tax imposed on brokers by reason of their ownership of a membership or seat, valued at \$2,000 or more, in a stock or produce exchange, board of trade, or similar organization;

The term "fiscal year" shall mean the period from July 1 of each calendar year to June 30, inclusive, of the following calendar year.

ART. 4. *Basis of tax.*—The tax is upon the engaging in or carrying on of a business or occupation. If a person does not engage in or carry on any of the businesses or occupations specified in section 1001 during the taxable period, no special tax liability is incurred. If, however, he does carry on a business upon which a tax is imposed during any portion of the taxable year, he is liable to tax from the first of the month during which he begins business to the end of the taxable period. (See sec. 3237, R. S., as amended by sec. 53, act of Oct. 1, 1890 [26 Stat., 567].)

ART. 5. *Tax paid under former acts.*—Every person who has paid a special tax for the fiscal year ending June 30, 1919, at the rate imposed by the revenue act of 1916 is liable to any additional tax which may be imposed by the revenue act of 1918, provided he did not permanently discontinue business prior to January 1, 1919. In case special tax has been paid at the rate imposed by the revenue act of 1916 such payment covering a period a portion of which falls after January 1, 1919, the effective date of the revenue act of 1918, which act imposes a higher rate of tax, credit for the amount of tax paid for the portion of the period falling after January 1, 1919, will be allowed in computing the amount of tax due under the revenue act of 1918.

BROKERS.

(Sec. 1001). (1) Brokers shall pay \$50. Every person whose business it is to negotiate purchases or sales of stocks, bonds, exchange, bullion, coined money, bank notes, promissory notes, other securities, produce or merchandise, for others, shall be regarded as a broker. If a broker is a member of a stock exchange, or if he is a member of any produce exchange, board of trade, or similar organization, where produce or merchandise is sold, he shall pay an additional amount as follows: If the average value, during the preceding year ending June 30, of a seat or membership in such exchange or organization was \$2,000 or more but not more than \$5,000, \$100; if such value was more than \$5,000, \$150.

ART. 6. *Brokers: Persons liable.*—Only those persons who have a business of their own as distinguished from that of their employer or employers are liable to special tax as brokers. Any person who holds himself out as a broker and is engaged in the business of negotiating purchases or sales of any of the articles enumerated is liable to tax. It is not necessary that the brokerage business shall be the sole business of a person in order that liability to tax shall attach. Any person who, in connection with his profession or occupation, makes it a regular part of his business to negotiate purchases or sales for others of articles enumerated is liable to tax. Mere casual or incidental negotiation of purchases or sales for others of articles