

Calendar No. 223

92D CONGRESS  
1ST SESSION

# S. 382

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IN THE SENATE OF THE UNITED STATES

JULY 31, 1971

Ordered to lie on the table and to be printed

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## AMENDMENT

Intended to be proposed by Mr. PACKWOOD to the amendment (numbered 308) proposed by Mr. PASTORE (for himself and others) to S. 382, a bill to promote fair practices in the conduct of election campaigns for Federal political offices, and for other purposes, viz: On page 36, after line 16, add the following:

1 TITLE IV—AMENDMENTS TO INTERNAL REV-  
2 ENUE CODE UNPAID CAMPAIGN DEBTS AND  
3 LOANS

4 SEC. 401. Section 271 (a) of the Internal Revenue Code  
5 of 1954 (relating to debts owed by political parties) is  
6 amended by—

7 (1) striking out "In the case of a taxpayer (other

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1 than a bank as defined in section 581) no” and insert-  
2 ing in lieu thereof “No”; and

3 (2) inserting “candidate or” before “political  
4 party”.

5 (b) Section 271 (b) of such Code (relating to defini-  
6 tions) is amended by adding at the end thereof the follow-  
7 ing new paragraph:

8 “(4) CANDIDATE.—For purposes of subsection (a),  
9 the term ‘candidate’ means a candidate as defined in sec-  
10 tion 301 (b) of the Federal Election Campaign Act of  
11 1971.”

12 SEC. 402. Section 2503 of the Internal Revenue Code  
13 of 1954 (relating to taxable gifts) is amended by adding at  
14 the end thereof the following new subsection:

15 “(d) LOANS TO CANDIDATES AND POLITICAL  
16 PARTIES.—

17 “(1) IN GENERAL.—For purposes of this chapter,  
18 the amount of any loan to or for the benefit of any can-  
19 didate or political party (as defined in section 271 (b) )  
20 which has not been repaid within one year of the date  
21 on which such loan was made shall be held and con-  
22 sidered to be a taxable gift to the extent that the amount  
23 not repaid by such date, when added to the aggregate  
24 amount of any contributions (as defined in section  
25 301 (e) of the Federal Election Campaign Act of 1971)

1       made by the person making the loan, to or for the bene-  
2       fit of the candidate or political party to or for the bene-  
3       fit of which the loan was made, exceeds \$3,000.

4           “(2) REGULATIONS.—The Secretary or his dele-  
5       gate shall prescribe such regulations as may be neces-  
6       sary to carry out the provisions of this subsection.”

7       SEC. 403. The amendments made by sections 401 and  
8       402 shall apply with respect to taxable years beginning  
9       after December 31, 1971, except that the provisions of such  
10      amendments relating to loans to candidates or political  
11      parties shall not apply to any such loan which was outstand-  
12      ing on the date of enactment of this Act.

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